

**COUNTY OF  
ERIE,  
PENNSYLVANIA**

**ANNUAL  
COMPREHENSIVE  
FINANCIAL  
REPORT**

**FOR THE YEAR ENDING  
DECEMBER 31, 2021**

**Presented By:  
Erie County Finance Department**

# COUNTY OF ERIE, PENNSYLVANIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021

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# COUNTY OF ERIE

## BUREAU OF GENERAL ACCOUNTING

**Brenton Davis,**  
County Executive

**James Sparber,**  
Director

**Ericka Knight,**  
Manager

**Brenton Davis , County Executive  
Members of County Council and  
Citizens of Erie County**

**June 29, 2022**

### **Ladies and Gentlemen:**

Both state law and Article V, Section 5d(7) of the Home Rule Charter require that within six months of the close of each year, a complete set of financial statements be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, I am pleased to present the comprehensive annual financial report of the County of Erie for the fiscal year ended December 31, 2021.

This report consists of management's representations concerning the finances of the County of Erie. Consequently, management assumes full responsibility for the completeness and the reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County of Erie has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County of Erie's financial statements in conformity with GAAP. Because the cost of internal control should not outweigh their benefits, the County of Erie's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. This report is designed to provide information to various users including the taxpayers of Erie County, investors, creditors, government officials and the general public. Its intent is to describe the County's financial position and the financial results of its operations as of and for the year ended December 31, 2021.

The independent audit of the financial statements of the County of Erie was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grant agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County of Erie's separately issued Single Audit Report.

Governmental Accounting Standards Board Statement No. 34 requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Erie's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE GOVERNMENT – County of Erie, Pennsylvania**

The County of Erie, incorporated in 1803, is one of 67 counties in the Commonwealth of Pennsylvania; it occupies the northwest corner of the State, adjacent to Ohio, New York and Lake Erie. Within the County is the City of Erie, the County seat and the fourth largest city in Pennsylvania, as well as 37 other municipalities. Erie County's 266,096 residents live within its 812 square miles.

The County of Erie is a third class county. The County is governed under a Home Rule Charter, which took effect in 1978, and provides for a County Executive elected at large to a four year term to perform the executive functions of government. The Home Rule Charter of the County of Erie also requires the adoption of an Administrative Code which details the administration and operation of the County. A part-time County Council is elected from seven districts within the County and serves as the legislative branch of government. The judicial branch of County government, the Court of Common Pleas, is comprised of nine elected judges and is part of the unified judicial system legislated by the Pennsylvania Constitution. The organization of the County is more fully described in the chart that follows this transmittal.

For financial reporting purposes, the County of Erie, Pennsylvania includes all funds and account groups that are controlled by or dependent on the County. Control by or dependence on the County was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligation of the County, obligation of the County to finance any deficits that may occur or receipt of significant subsidies from the County.

### **REPORTING ENTITY**

Statement of Government Accounting Standards No. 39, "Determining Whether Certain Organizations Are Component Units", an amendment for GASB Statement No.14, "The Financial Reporting Entity", establishes the standards for defining and reporting on the financial reporting entity. The primary government is the core or the nucleus of the financial reporting entity. For this report, the County is considered the primary government.

In accordance with generally accepted accounting principles, the financial statements of the County's discrete and blended component units are included in this report because of the significance of their operational or financial relationships with the County. A component unit is a legally separate entity that meets one or more of the following criteria: the primary government appoints the majority of the board and is able to impose its will on the component unit or is in a relationship of financial benefit or burden with the component unit, the component unit is fiscally dependent on the primary government, or the financial statements of the primary government would be misleading without the component unit. The Erie County Gaming Revenue Authority (ECGRA), Erie County Land Bank, and the newly established Erie County Community College are discreetly presented component units, and as such their financial data is presented separately from the primary government. ECGRA administers the restricted gaming revenue Erie County received from the operation of a casino located in the county. The Erie County Land Bank was established by the revised Gaming Revenue Act in 2017 and was formed on June 7, 2018, for the purpose of land management throughout Erie County to promote redevelopment. In this year's audit there will be a third discreetly presented component unit, the Erie County Community College. On July 8, 2020, the Pennsylvania State Board of Education voted 10 -5 to establish the Erie County Community College. The college had their inaugural session fall of 2021. The County is the local sponsor for the school and is responsible for all expenses not covered by tuition and state funds.

Pleasant Ridge Manor and Erie County Care Management are blended component units in this report because the services provided are so intertwined with the primary government that is in substance, the same as the primary government. Pleasant Ridge Manor, the County's nursing home, provides both short term rehabilitation and long term care for chronically ill and elderly residents. It is included in the County's financial statements as a business-type activities fund. Erie County Care Management provides services to Medicare eligible clients of the County's Mental Health/Intellectual Disabilities, Drug and Alcohol and Children & Youth funds. It is included in the County's non-major special revenue funds.

## COUNTYWIDE SERVICES

The County has adopted a mission statement in its Three-Year Plan which broadly describes the services it provides:

1. To operate as agents of the Commonwealth of Pennsylvania in the administration of justice, maintenance of public records, and conduct of elections and assistance to veterans.
2. To carry out, in partnership with the State, human service programs providing protection to our children, assistance to the mentally ill and intellectually disabled, programs to address substance abuse, to provide support to our senior citizens, long-term care for our medically indigent, protection of the environment and public health of our community, library and information services to our residents, job training and day care for our underemployed and transportation to our citizens.
3. To administer State and Federal grants for programs designed to improve the health, welfare and economic opportunity of our residents.
4. To assist our townships, cities, and boroughs in planning, economic development, and providing municipal services.
5. To work with community partners to promote job growth and the well-being of residents of Erie County.
6. To fulfill our responsibility to our taxpayers by fairly reporting the County's financial condition, honestly appraising the costs of our programs, seeking the most economical strategies in maintaining services and avoiding attempts to burden the future with today's costs.

County Programs are categorized in four broad classes: General Government, Courts and Related Offices, Corrections, and Community Services. The principal programs in each class include:

### General Government

Offices of the County Executive, County Council and the County Controller  
Offices of Voter Registration, Conduct of Elections, and Human Relations Commission  
Central Support services departments under the County Executives appointees: the County Solicitor and the Directors of Administration, Human Resources, Finance and Information Technology

### Courts and Related Offices

The Sixth Judicial District of Pennsylvania (nine Judges of the Court of Common Pleas)  
Thirteen District Magisterial Judges  
Offices of the Clerk of Records, Sheriff, District Attorney, Coroner and Public Defender  
Offices of Domestic Relations (Support Enforcement)

### Corrections

Adult Probation and Juvenile Probation Departments  
Department of Corrections (Erie County Prison)  
Juvenile Detention Center and other delinquent child institutional treatment

### Community Services

Department of Human Services, which operates the County's Mental Health / Intellectual Disabilities, Children and Youth Services, Drug and Alcohol Abuse, Health Choices  
Erie County Care Management Inc.  
Department of Public Health  
The Erie County Library Fund  
Erie County Pleasant Ridge Manor  
Office of Veterans Affairs  
Erie County Gaming Fund

#### Department of Planning

Grants to Community Organizations

Liquid Fuels

Erie County's Public Safety Programs, Emergency-911 Program and Emergency Management

### **INTERNAL CONTROL**

The County's internal accounting control system is a comprehensive framework that provides employees and taxpayers with assurances that the assets of the government are reasonably safeguarded against loss and are recorded properly. Internal controls also provide assurance that the financial statements are reliable and prepared in compliance with generally accepted accounting principles. Because the cost of the internal controls should never outweigh the benefits derived from the internal controls, the County's controls have been designed to provide reasonable rather than absolute assurance the financial statements will be free from material misstatement.

The Finance Department is responsible for creating and maintaining the accounting system for the County, promulgating fiscal policy, as well as preparing and monitoring the annual budget. The Controller's office has the post audit function.

### **INDEPENDENT AUDIT**

Zelenkofske Axelrod LLC, a firm of licensed certified public accountants, has audited the County of Erie's financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the County of Erie are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County of Erie's financial statements for the fiscal year ended December 31, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

### **BUDGET**

The annual budget serves as the foundation for the County of Erie's financial planning and control. The budget process starts with the development of the County's Three Year Plan, which forecasts anticipated financial needs and outlines potential changes in services over the next three year period as well as projects the results of operations of the current budget period. Later in the year, all county departments receive a budget package including the administration's preliminary next year's budget, the current year's original and current budget, current six month activity, and historical activity, and current and next year's wages and fringes for each employee. The department must project its current year's revenue and expenditures, and justify any proposed changes to the preliminary budget. The administration holds budget meetings with each department. On or before October 1st of each year, the administration submits a balanced budget to County Council. Council then holds additional budget meetings with departments and officials from the administration. After holding public meetings on the budget, County Council must adopt a balanced budget on or before December 1st. The appropriated budget is prepared by fund and by department. The legal level of budgetary control for Erie County is the department level. Departments may transfer up to ten percent of appropriations within their department with the approval of the Finance Director. County Council must approve all other transfers, supplemental appropriations, and revised revenue and expense requests. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

### **PROPERTY ASSESSMENTS**

The County has committed to a countywide reassessment cycle taking into account the common level ratios, property values and a need for a reassessment. The last reassessment was effective January 1, 2013. As a result of the reassessment, the 2013 County taxable assessed value changed from \$11.8 billion

to \$13.8 billion. Particular emphasis was placed on bringing lakefront property in line with the current market value. The latest common level ratio is 90.1% in relation to the base year of 2013. The County typically would start a reassessment when the common level ratio is close to 80%. In preparation for a future reassessment, the department is upgrading its software to allow assessors to make changes to the data base in the field. In 2019, the number had increased to 2,616 due to the approval of a 10 year tax free (Local Economic Revitalization Tax Assistance Act) LERTA program for the City of Erie which would apply to new construction and improvements made to all Industrial, Commercial, Business and Residential properties. In 2020 and 2021, the number of building permits decreased to 2,460 and 2418, respectively. Although there was a decrease it was still higher than 2018 and showed that even with the pandemic people were building and doing renovations. With the addition of time and having to stay home many people updated or did projects around their homes.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the County of Erie operates.

## **LOCAL ECONOMY**

Erie County continues to see heavy investment in new and existing assets by both in town and out-of-town entities. The results of these investments will be retained jobs, new jobs, new assets, and increased capacity in a variety of sectors. Existing facilities continue to garner a great deal of interest for acquisition and renovation while the construction of new facilities on underutilized sites is slowly accelerating. Below is a summary of activity over the past year:

**Pete Zaphiris** of Great Lakes Insurance has completed the comprehensive renovation of the former 121 West 12<sup>th</sup> Street into the expanded location for NWPA Life senior citizen center, begun the comprehensive renovation and expansion of 1128 State Street (40,000 sq. ft) into a new corporate headquarters for Great Lakes Insurance; and is prepared to begin renovations of 144 West 13<sup>th</sup> Street (40,000 sq. ft.) for apartments and/or office. Zaphiris' renovations will exceed \$15 million of new investment into downtown Erie.

**Scott Enterprises** has completed a \$1.4M Oliver's Beer Garden adjacent to the Hampton Inn they built and opened in 2021. This remains part the first phase of a multi-year mixed-use project on Erie's Bayfront. This first phase has resulted in a total investment \$32M and is part of a master plan approaching \$150M in total investment.

**Gannon University** will complete a \$15M renovation of 155 West 8<sup>th</sup> Street in September 2022. This new building will complement their 2020-21 project, the Institute for Health and Cyber Knowledge (IHACK) – a **100,000 square foot space** that is the hub of their cyber program. Walter Iwanenko, Vice President for Academic Affairs stated that the expanded cyber program – two new degrees in cyber engineering and cyber security – will focus on bringing jobs to Erie through strong workforce development.

The **Erie Downtown Development Corporation** (EDDC) has added the Flagship City Food Hall and Flagship Market to their on-going renovation of 24-26 North Park Row and began construction on a new office building/parking garage at 430 State Street. EDDC previously announced plans for a total investment of \$150M in the center of downtown Erie that will result in 477,000 sq. ft. of developed space, 100,000 sq. ft. of residential units (150-175 total units; 350-400 parking spaces; and housing approximately 40 businesses. EDDC estimates the projects would lead to 400 jobs once complete and over \$2M in new tax base once fully completed.

**UPMC/Hamot** completed their \$135M expansion on their downtown healthcare campus.

**AHN/St. Vincent's** completed their \$125M expansion of their healthcare campus in southern part of the City of Erie.

The **Warner Theater** is completing a multimillion dollar renovation which includes a comprehensive update to stage equipment, a new stage house, and expanding the stage by 20 feet. Total investment on the renovation is estimated at \$28.6M

**Marquette Savings Bank** has completed its \$10M Operations, Training, and Innovation Learning Center at 930 Peach Street.

**UPMC Park**, home of the Erie Seawolves recently completed at \$12 million renovation of the park which include a new entrance plaza, climate-controlled Team Store, new stadium club, party deck, picnic perch, and home plate suite.

**Child Development Centers** of Erie has begun a construction of a new facility at 145 East 10<sup>th</sup> Street in downtown Erie. This project is estimated to cost \$8-\$10M and will provide childcare to 100-150 families and employ 30 new positions.

**Allegheny Beverage** completed a new headquarters and distribution facility at 7265 Klier Drive in Fairview Township at a cost of approximately \$10M.

**Value Momentum** acquired 1030 State Street and has begun a renovation of 20,000 sq. ft. of space at an estimated cost of \$5M and will be creating nearly 100 jobs.

**Mark Erie Hospitality** completed the comprehensive renovation of the former Holiday Inn Downtown at 18<sup>th</sup> and State Street at a cost of \$6.5M. The property is now a Red Roof Inn.

**Amazon** has leased 112,500 square feet of the former Steris/Amsco corporate headquarters (2424 West 23<sup>rd</sup> Street) and invested \$5.3M to create a regional, “final mile” distribution center that will employ nearly 200.

**Beacon Communities** has begun a \$27M renovation of their Richford Arms Apartments at 515 State Street. The residential property has 100 units.

**Erie Bank Sports Park** in Summit Township was sold to two separate investment groups for \$3.3M with a plan to invest nearly \$10M into the park’s renovation. **Erie Sports Investments** bought the soccer fields, dome, and fun park, while **BBT Hockey** bought the facility that houses the two indoor ice hockey pads and indoor basketball and volleyball courts.

#### *Welcoming New Businesses to Erie*

**International Recycling Group** (IRG) is presently finalizing investment to build a \$300M plant in the City of Erie that will be the largest, comprehensive plastic recycling facility in the world. The company has secured a site on the South Yard of the former Hammermill/IP plant and advancing negotiations with key sourcing agents and customers. Once constructed, employment is projected at 300 full-time positions.

## **LONG-TERM FINANCIAL PLANNING**

The County Three Year Plan is a strategic tool used by the County to identify trends in services, funding requirements, as well as plan for capital projects. In the three year plan for 2022 we estimated a budget of \$532 million with the final budget passed by Council amounting to \$529 million (without Erie County Care Management which was not included in the three year plan). The estimate for 2021 was projected with much uncertainty due to the Covid pandemic. The budget reflected lower revenue figures in trying to budget conservatively with the uncertainty of the pandemic. Also, there were small decreases in healthcare and pension costs. For pension, even though the annual determined contribution increased the County’s accrual rate, decreased due to 2020 estimate being overstated due to the actuary conservatively estimating the contribution after 2019’s actual annual determined contribution was determined much higher than the estimate. This deficit was made up by using employee fringe fund balance.

In 2021 the Erie County Community College will hold its first semester in fall 2021. The college was officially voted on July 8, 2020, and the Pennsylvania State Board of Education approved the college by a 10-5 vote. Erie County is the local sponsor and is responsible for all deficits not covered by student tuition or state funds. The County in the budgeting process has been moving community grant expenses out of the Gaming Fund and into the General Fund to start accumulating fund balance to cover expenses incurred by the Community College in the future.

County Council in cooperation with the administration voted in 2021 to accept a bid to tear down Pleasant Ridge Manor East. There are no plans for the property once this is accomplished.

## **FUTURE COUNTY OPERATIONS BUDGETS**

In November of 2021, the County Council adopted the 2022 budget. The budget, net of internal service funds and transfers to other funds, is \$463,476,937 and included no tax increase but was balanced using \$1,349,968 of fund balance.

## **FISCAL ACCOMPLISHMENTS and CONCERNS**

The County has an extremely healthy general fund balance at year end 2021 of \$61,378,375. Of this amount \$50,927,149 is unassigned and can be used for any purpose. This calculates to 42.4% of annual expenditures and transfers. As a result of having a robust fund balance, the County's bond rating remains at AA by Standard and Poor's and Aa2 by Moody's. In 2021, the County was budgeted to use \$1.3 million of general fund balance to balance the budget. The year end result was the County added \$1.9 million to fund balance. Tax collections came in as budgeted with interim tax collections being above budget. Part of this was due to property owners using stimulus funds to pay their property taxes. Even though most revenues were below budget so were the offsetting expenses. Many functions could not be accomplished due to limits set by the pandemic.

The County also implemented GASB 75 dealing with the recording of the OPEB expense in 2018. Because the County does not fund its post-employment benefits this continually places the County's unrestricted net assets into a deficit. The amount for unrestricted net assets in 2021 was (\$6,483,543).

The County continues to closely watch developments in the state and federal budgets, since federal and state grant revenue accounts for over 51% of all budgeted revenue. One of the major concerns for the County for 2022 and going forward is the effects of COVID-19 on our local economy and also on state and federal funding. Currently it did not have a significant affect the County real estate collections but we feel that going forward there are going to be financial and economic issues that we are going to have to deal with. This is still an on-going issue and will be affecting us for a while. Erie County is set to receive \$52,391,502 in direct federal aid from the American Rescue Plan Act. The County received half or \$26,195,251 in 2021 and the second half will be given in 2022.

## **RELEVANT FINANCIAL POLICIES**

In 2015, County Council adopted Resolution 26, 2015, which mandates a minimum of two month's expenditures in unassigned fund balance. The policy also states that if unassigned fund balance drops below two month's expenditures, the County must restore the fund balance within two fiscal years. An analysis of unassigned fund balance is presented to Council at each finance committee meeting. This analysis indicates the level of unassigned fund balance should all ordinances in front of Council pass. The County has maintained more than the minimal level of fund balance since the policy was adopted. The County budgets thereafter have included funds sufficient to maintain a General Fund unassigned fund balance greater than two months of operation.

As described in the Notes to the Financial Statements, the County has a pay-as-you go policy for the following:

Self- insured medical and dental benefits  
Accrued sick time  
Termination payments  
Post-Employment Benefits Other Than Pension Benefits

In May of 2018, County Council adopted Resolution 36, 2018, which amended the County's Administrative Code and purchasing policy to make it in compliance with the mandates of the Uniform Guidance. The current policy had provisions in it for the purchase or rental of certain items, insurance coverage or services that exceeded \$12,500 but were under \$25,000. These items were required to solicit three competitive quotes. The \$12,500 threshold has now dropped to \$3,500 for purchases using federal grant funds. Items above \$25,000 are required to go through a bid process. Ordinance 57, 2019 further amended the purchasing code to be in compliance with the uniform guidance changing the minimum threshold from \$3,500 to \$10,000. It also adding the wording that the County would follow the guidelines under Uniform Guidance 2CFR200.

As part of the 2019-2022 contract labor negotiations a wellness policy was implemented. This policy states that starting in 2021 that if you do the four requirements your County per pay deduction will stay at 5% but if you fail to qualify then it increases to 10%. The four requirements are: wellness survey, a biometric screening, a physical and a tobacco cessation program if you partake in tobacco products. This is in hopes of promoting wellness and reducing medical costs since we are self-funded.

In 2019, we updated our business use of car insurance policy to include a provision for on-line purchased policies. Our current policy had requirements dealing with insurance agents that are not possible with buying on-line. An average business usage percentage was determined in these instances.

At the end of 2021, the County drafted a policy dealing with the taxability of employer provided clothing. This is to ensure that the County is in compliance with IRS regulations as outlined in IRS Publication 5138.

## **AWARDS and ACKNOWLEDGEMENTS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Erie for its annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2020. This was the twenty-eighth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The Department of Finance relies on the cooperation and support of all elected officials and department heads, especially County Controller Kyle Foust and his Deputy Mark Orlop, who manage the County's internal audit programs. We rely heavily on the financial staff of various grant programs, especially Manager of Accounting for Human Services Patrick Ryan, Lisa Robie, Leslie Reed, Anne Maries, Linda Jarzynka, and Darlene Miller who perform the accounting activities in the Department of Human Services, Melissa Plyler, accountant for the Department of Planning, Eric McGrath of Erie County Care Management and Michael Anderson, the Chief Financial Officer of Pleasant Ridge Manor.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the General Accounting Department, including Jennifer Ertl, Carrie Laska, Jennifer

Kruszewski, Helen Lucas, Sarah Weismiller, Tammy Lassman, Bridget Lander, and Katie Kaminski. Special thanks to Finance Director, Jim Sparber, who without his support we would not be able to accomplish all we do.

We are pleased to be able to present this information, which we believe to be vital to your financial planning and decision making.

Respectfully submitted,

*Ericka Knight*

Ericka Knight  
Manager of Accounting

# COUNTY OF ERIE, PENNSYLVANIA

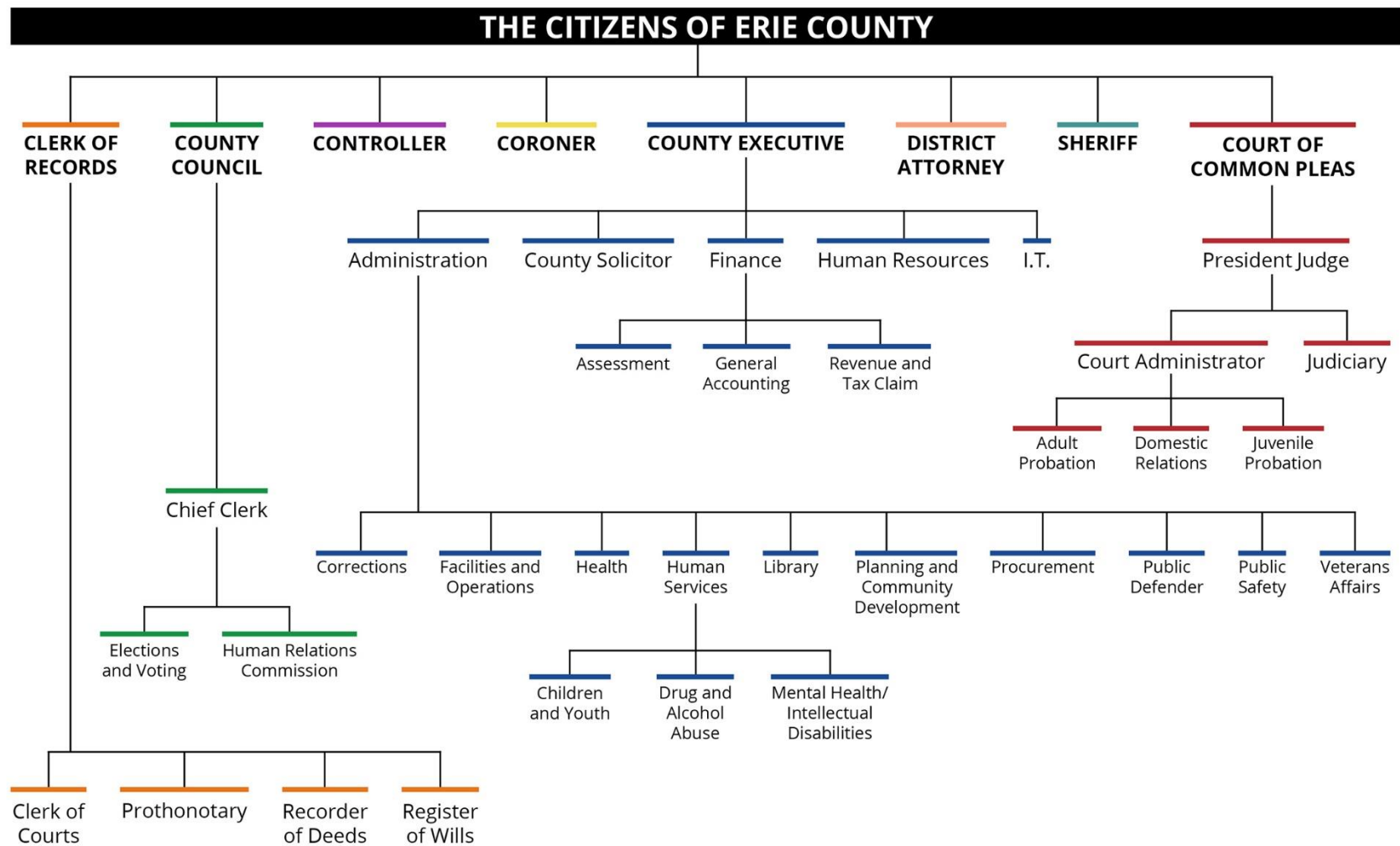
## LIST OF ELECTED AND APPOINTED OFFICIALS AS OF DECEMBER 31, 2021

### Elected Officials

County Executive	Kathy Dahlkemper
Council Members	Carl Anderson Andre Horton Scott Rastetter Kimberly Clear Brian Shank Mary Rennie Ellen Schauerman
County Controller	Kyle Foust
District Attorney	Jack Daneri
Sheriff	John Loomis
Coroner	Lyell P. Cook
Clerk of Records	Kenneth Gamble
Common Pleas Judges	John J. Trucilia, PJ Erin C. Connelly John J. Mead Elizabeth K. Kelly Daniel J. Brabender Jr. Stephanie Domitrovich Joseph M. Walsh III Marshall J. Piccinini David G. Ridge

### Appointed Officials

Director of Administration	Gary Lee
Director of Finance	James Sparber
Director of Human Resources	Vacant
County Solicitor (part-time)	Richard Perhacs
Public Defender	Patricia Kennedy, Esq.





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Reporting

Presented to

**County of Erie  
Pennsylvania**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

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December 31, 2020

*Christopher P. Morrell*

Executive Director/CEO

### **INDEPENDENT AUDITOR'S REPORT**

The County's basic financial statements are audited each fiscal year by independent certified public accountants. The audits are conducted in accordance with generally accepted auditing standards.

The principal auditor's report on their audit of the County's basic financial statements is contained in this section.



# *Zelenkofske Axlerod LLC*

**CERTIFIED PUBLIC ACCOUNTANTS**

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

## *Independent Auditor's Report*

Members of County Council  
County of Erie  
Erie, Pennsylvania

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Erie, Pennsylvania (the "County"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Erie County Gaming Revenue Authority, the Erie County Land Bank, or the Erie County Community College, which represents 100% of the assets, net position, and revenues of the discretely presented component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units listed above, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

The County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for one year after the date that the financial statements are issued.



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## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



# *Zelenkofske Axelrod LLC*

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## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of net pension liability and contributions related to pension plans, and schedules of total OPEB liability (as listed in the table of contents as required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other supplementary information in the financial section (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information in the financial section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



# *Zelenkofske Axlerod LLC*

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## ***Other Information Included in the Annual Comprehensive Financial Report***

Management is responsible for the other information in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Zelenkofske Axlerod LLC*

ZELENKOFSCHE AXELROD LLC

Pittsburgh, Pennsylvania  
June 29, 2022

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021

As management of the County of Erie, we offer readers of the County of Erie's financial statements this narrative overview and analysis of the financial activities of the County of Erie for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and notes to the financial statements in order to obtain a thorough understanding of the County of Erie's financial condition at December 31, 2021. All amounts, unless otherwise indicated, are expressed in dollars.

### **Financial Highlights**

- The governmental activities net position as of December 31, 2021 was \$50,500,425.
- The government's total net position for governmental activities increased by \$7,693,520.
- The unrestricted portion of net position deficit increased \$4,629,063 from (\$11,112,606) at year end 2020 to (\$6,483,543) at year end 2021.
- The net pension liability decreased \$11,910,298, and is now a net pension asset in the amount of \$4,953,061. The net OPEB liability decreased \$829,744.
- As of the close of the current fiscal year, the County of Erie's governmental funds reported combined ending fund balances of \$109,960,033, an increase of \$5,426,696 in comparison with the prior year 2020's ending fund balance of \$104,533,337.
- The County's real property tax rate increased in 2021 to 5.96 mills from the previous amount of 5.71 in 2020.
- The County's investment bond rating from Standard and Poor's is AA. Moody's bond rating is Aa2.
- As of December 31, 2021, the County of Erie had \$30,735,000 of bonds outstanding. Of this total, \$23,525,000 or 77% of the County's debt will be retired by year end of 2025.
- The total fund balance of the General Fund as of December 31, 2021 was \$61,378,375. The unassigned portion of the fund balance was \$50,927,149 which is approximately 42.4% of expenditures and transfers to other funds in the General Fund for the fiscal year 2021. The unassigned fund balance increased \$1,925,413 in 2021.
- The County of Erie received \$26,195,751 in American Rescue Plan Act funding through the U.S. Department of the Treasury of Coronavirus State and Local Fiscal Recovery Funds.

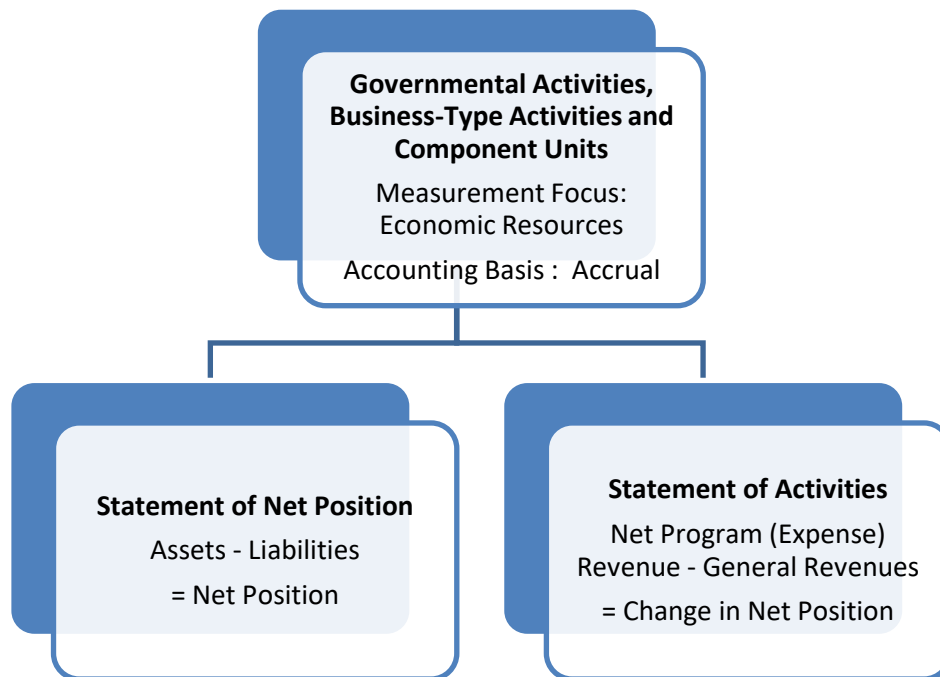
### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County of Erie's basic financial statements. The County of Erie's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Government-wide Financial Statements**

**Government-wide financial statements** - The **government-wide financial statements** are designed to provide readers with a broad overview of the County of Erie's finances in a manner similar to private-sector business.



The **statement of net position** presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources except fiduciary funds, with the difference reported as *net position*. This statement serves a purpose similar to that of a balance sheet of a private sector business. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, other non-financial factors such as changes in the County's real property tax base and general economic conditions must also be considered.

The **statement of activities** presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unpaid wages).

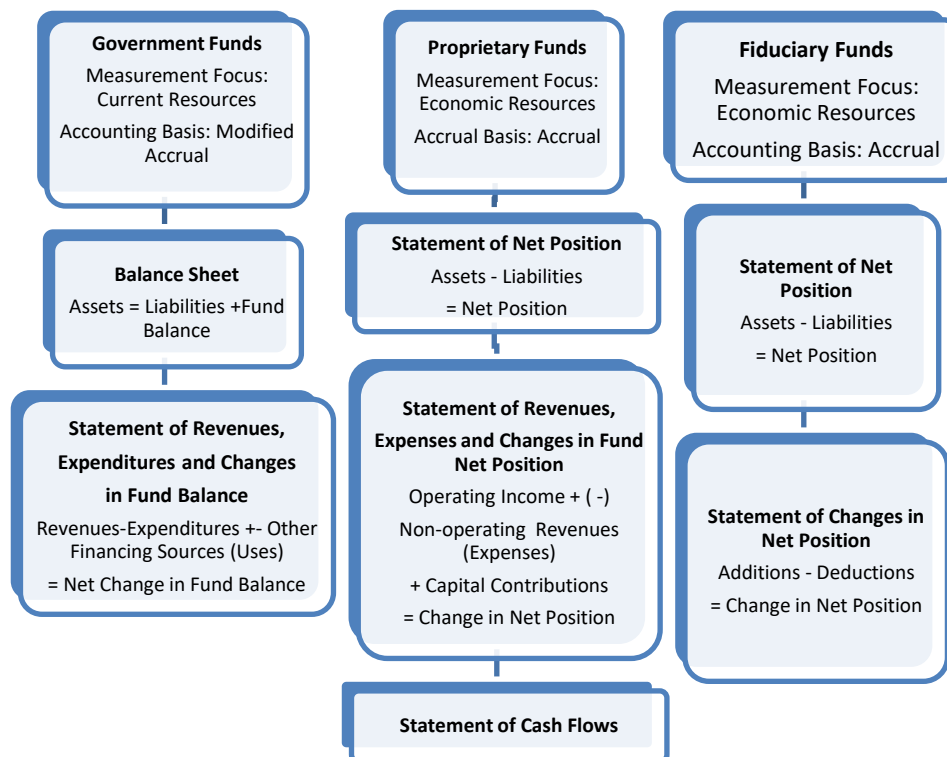
Both of the government-wide financial statements distinguish functions of the County of Erie that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the County of Erie include general government, courts and related offices, corrections, community services, public health, public works and library services.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

The government-wide financial statements include not only the County of Erie itself (*known as the primary government*), but also Pleasant Ridge Manor, a legally separate nursing home for indigent residents, and Pleasant Ridge Manor Pension Trust, the legally separate pension fund of the nursing home for which the County of Erie are financially accountable, and is a business-type component unit. Erie County Gaming Revenue Authority (ECGRA) is also a component unit. ECGRA was created by the County to disburse restricted gaming funds to the community in accordance with state law. An additional component unit, the Erie County Land Bank, was added in 2018. The state gaming law set provisions for the County to establish a Land Bank with gaming funds to aid in redevelopment and flight bright. In 2021, another component unit, Erie County Community College, was added. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The statements also included Erie County Care Management Fund, a blended special revenue component unit that administrators and provides managed care services.

### Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Erie, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County of Erie can be divided into two categories: governmental funds and fiduciary funds.



**Governmental funds** - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County of Erie maintains fourteen individual governmental funds, as well as a capital projects fund and a debt service fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Mental Health Intellectual Disabilities Fund, Health Choices Fund, Children and Youth Fund, ARPA Fund, Gaming Fund, and the Capital Projects Fund, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report. In 2021, an additional special revenue fund was added in order to handle the accounting of the American Rescue Plan Act funding.

The County of Erie adopts an annual appropriated budget for all governmental funds except the Capital Projects Fund. A budgetary comparison statement for each individual fund has been provided to demonstrate compliance with this budget. Budgetary control for the activities of the Capital Projects Fund is achieved through general obligation bond indenture provisions, contractual agreements, and restrictive terms of the grants received.

**Proprietary funds** - In 2006, the County of Erie created an internal service fund. An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the County of Erie's various functions. The County uses an internal service fund to account for the costs of employee fringe benefits, primarily the self-funded medical and dental programs. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide statements. Pleasant Ridge Manor, the County's legally separate nursing home, is considered as an enterprise fund since the intent is that the cost of providing the services to the public is primarily covered by user charges and cost reimbursement plans. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

**Fiduciary funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide statement because the resources of those funds are *not* available to support the County of Erie's own programs. The financial statements include the *statement of fiduciary net position*, which reports the assets and liabilities of the County's retirement trust fund, Pleasant Ridge Manor's retirement trust fund and combined custodial funds. A *statement of changes in fiduciary net position* for the County's retirement trust fund, Pleasant Ridge Manor's retirement trust fund and combined custodial funds is also provided. Finally, *Combining statements of fiduciary net position and statements of changes in fiduciary net position*, which provides a detail of all custodial funds and detail of the County's retirement trust fund and Pleasant Ridge Manor's retirement trust fund, can also be found in this report.

**Notes to the financial statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the basic financial statement tab.

The combining statements referred to earlier in connection with non-major governmental funds and fiduciary agency funds are presented immediately following the notes to the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

### Government-wide Financial Analysis

The following is a summary of the Statement of Net Position with comparative totals for December 31, 2021.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 201,048,807	\$ 164,044,078	\$ 23,693,291	\$ 11,521,916	\$ 224,742,098	\$ 175,565,994
Capital assets	25,174,483	31,774,970	4,784,693	5,358,191	29,959,176	37,133,161
Total assets	<u>\$ 226,223,290</u>	<u>\$ 195,819,048</u>	<u>\$ 28,477,984</u>	<u>\$ 16,880,107</u>	<u>\$ 254,701,274</u>	<u>\$ 212,699,155</u>
Deferred outflows of resources	<u>\$ 4,446,413</u>	<u>\$ 6,058,747</u>	<u>\$ 638,855</u>	<u>\$ 918,140</u>	<u>\$ 5,085,268</u>	<u>\$ 6,976,887</u>
Long-term liabilities outstanding	\$ 72,938,099	\$ 94,588,006	\$ 2,525,083	\$ 2,550,980	\$ 75,463,182	\$ 97,138,986
Other liabilities	82,872,311	50,906,240	5,901,535	3,145,623	88,773,846	54,051,863
Total liabilities	<u>\$ 155,810,410</u>	<u>\$ 145,494,246</u>	<u>\$ 8,426,618</u>	<u>\$ 5,696,603</u>	<u>\$ 164,237,028</u>	<u>\$ 151,190,849</u>
Deferred inflows of resources	<u>\$ 24,358,868</u>	<u>\$ 13,576,644</u>	<u>\$ 9,521,955</u>	<u>\$ 6,210,717</u>	<u>\$ 33,880,823</u>	<u>\$ 19,787,361</u>
Net position:						
Net investment in capital assets	\$ 1,664,821	\$ 2,028,339	\$ 4,784,693	\$ 5,358,191	\$ 6,449,514	\$ 7,386,530
Restricted	55,319,147	51,891,172	-	-	55,319,147	51,891,172
Unrestricted	(6,483,543)	(11,112,606)	6,383,573	532,736	(99,970)	(10,579,870)
Total net position	<u>\$ 50,500,425</u>	<u>\$ 42,806,905</u>	<u>\$ 11,168,266</u>	<u>\$ 5,890,927</u>	<u>\$ 61,668,691</u>	<u>\$ 48,697,832</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County of Erie, governmental assets exceeded liabilities by \$50,500,425 as of December 31, 2021.

Approximately 3.3% or \$1,664,821 of net position reflects the County's investment in capital assets (e.g., land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The County of Erie uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County of Erie's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the County of Erie's net position, \$55,319,147 represents resources that are subject to external restrictions on how they may be used. Restricted net position increased \$3,427,975 from the previous year. Community Services increased \$4,000,388 primarily due to an increase of \$2 million in the Health Choices Fund, \$1.2 million in the Planning Fund, \$450,849 in the Public Safety Fund, and \$1.2 million in Erie County Community Management. Detail of the restricted net position can be found on the face of the statement of net position.

At the end of the current fiscal year, the County of Erie is reporting a positive balance in two of the net position categories and a negative balance in the unrestricted category due to the implementation of the Government Accounting Standard Board (GASB) statement 75 dealing with post-employment benefits. The unrestricted net position deficit decreased by \$4,629,063 in 2021 due to the \$37 million increase in current assets along with decreases of \$6.9 million and \$829,744 in pension liabilities and other post-employment benefits, respectively. The business-type activity was able to maintain a positive net position in all categories.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

The following is a summary of the Changes in Net Position with comparative amounts for December 31, 2021.

	Governmental Activities			Business-Type Activities		
	2021	2020	Variance	2021	2020	Variance
Revenues:						
Program Revenues:						
Charges for services	\$ 38,861,990	\$ 34,465,854	\$ 4,396,136	\$ 20,839,287	\$ 28,594,269	\$ (7,754,982)
Operating grants and contributions	318,541,771	250,297,884	68,243,887	1,265,318	-	1,265,318
Capital grants and contributions	-	-	-	5,133	-	5,133
General Revenues:						
Property taxes:	86,813,857	82,341,054	4,472,803	-	-	-
Hotel tax	5,379,769	3,227,022	2,152,747	-	-	-
Interest income	217,421	552,567	(335,146)	248,898	43,970	204,928
Other income	793,239	2,579,292	(1,786,053)	-	19,563	(19,563)
Total revenues	<u>450,608,047</u>	<u>373,463,673</u>	<u>77,144,374</u>	<u>22,358,636</u>	<u>28,657,802</u>	<u>(6,299,166)</u>
Expenses:						
General government	19,938,695	17,346,167	2,592,528	-	-	-
Courts and related offices	26,669,256	24,553,399	2,115,857	-	-	-
Corrections	39,338,013	32,183,720	7,154,293	-	-	-
Community services	329,299,977	257,846,124	71,453,853	23,421,207	29,160,142	(5,738,935)
Public health	11,569,053	8,331,574	3,237,479	-	-	-
Public works	763,650	878,173	(114,523)	-	-	-
Library	8,038,316	7,071,786	966,530	-	-	-
Interest on long-term debt	957,657	1,265,428	(307,771)	-	-	-
Total expenses	<u>436,574,617</u>	<u>349,476,371</u>	<u>87,098,246</u>	<u>23,421,207</u>	<u>29,160,142</u>	<u>(5,738,935)</u>
Increase (decrease) in net position before transfers	14,033,430	23,987,302	(9,953,872)	(1,062,571)	(502,340)	(560,231)
Transfers In	-	500,000	(500,000)	6,339,910	-	6,339,910
Transfers Out	<u>(6,339,910)</u>	<u>-</u>	<u>(6,339,910)</u>	<u>-</u>	<u>(500,000)</u>	<u>500,000</u>
Increase (decrease) in net position	7,693,520	24,487,302	(16,793,782)	5,277,339	(1,002,340)	6,279,679
Net position, beginning of year	<u>42,806,905</u>	<u>18,319,603</u>	<u>24,487,302</u>	<u>5,890,927</u>	<u>6,893,267</u>	<u>(1,002,340)</u>
Net position, end of year	<u>\$ 50,500,425</u>	<u>\$ 42,806,905</u>	<u>\$ 7,693,520</u>	<u>\$ 11,168,266</u>	<u>\$ 5,890,927</u>	<u>\$ 5,277,339</u>

**Governmental Activities.** Governmental activities in 2021 increased the County's net position by \$7,693,520. Covid-19 restrictions placed in 2020 gradually lifted and impacted the County's final outcome. Descriptions are included within the following text. Key elements of this increase are as follows:

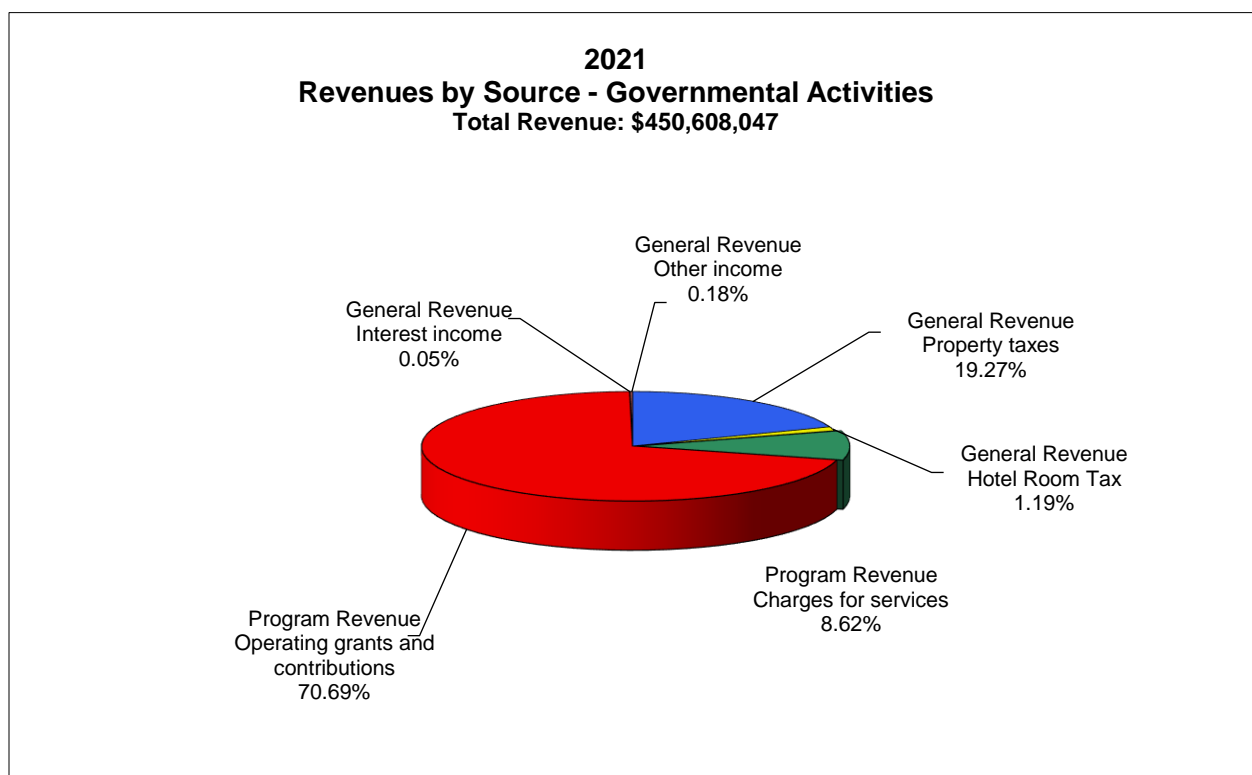
### Program Revenues

Pennsylvania Governor Tom Wolfe shut down all non-essential businesses as of March 16, 2020. On June 25, 2020 some of these restrictions were partially lifted. By June 1, 2021 almost all restrictions were lifted.

- Property taxes increased by \$4,472,803 (5.43%). This was attributable to the tax millage being increased from 5.71 mills to 5.96 mills in the 2021 budget.
- Hotel room rental tax increased by \$2.1 million (66.71%) due to occupancy starting to return to pre COVID-19 pandemic rates.
- Charges for services increased 12.76% or by \$4,396,136. The Recorder of Deeds revenue increased \$297,875 in 2021. The increase was attributable to the reduction in the interest rates, low inventory pushing the demand for housing, and increased housing prices. Adult Probation fees increased \$186,640, which is attributable to the collection of funds in the day reporting center and teaching DUI classes. All other funds are gradually starting to see an increase in charges for services due to operations being fully open again.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

- Operating grants increased by \$68,243,887 (27.27%). The majority of this increase is attributable to the \$21,791,116 the County received from the U.S Department of the Treasury for ARPA (American Rescue Plan Act) of CSLFRF (Coronavirus State and Local Fiscal Recovery Funds) funding. Health Choices grant funding increased \$17 million as a result of relaxed Medical Assistance rules. Enrolled members during Covid-19 were able to remain enrolled and are still eligible currently even if they no longer qualify. Mental Health /Intellectual Disabilities showed an increase of \$28 million due to receiving additional Emergency Rental Assistance funds. The funds and program was run through ECCM (Erie County Care Management) as a direct result of COVID-19.
- Interest income continued to decrease in 2021 by \$335,146 or 60.65%. In the General Fund there was a decrease of \$124,457 as a result of the reduction in interest rates. Other funds showing decreases were MHID with \$34,619, Health Choices with \$167,382, Planning Fund with \$31,545 and Capital Projects with \$25,172.

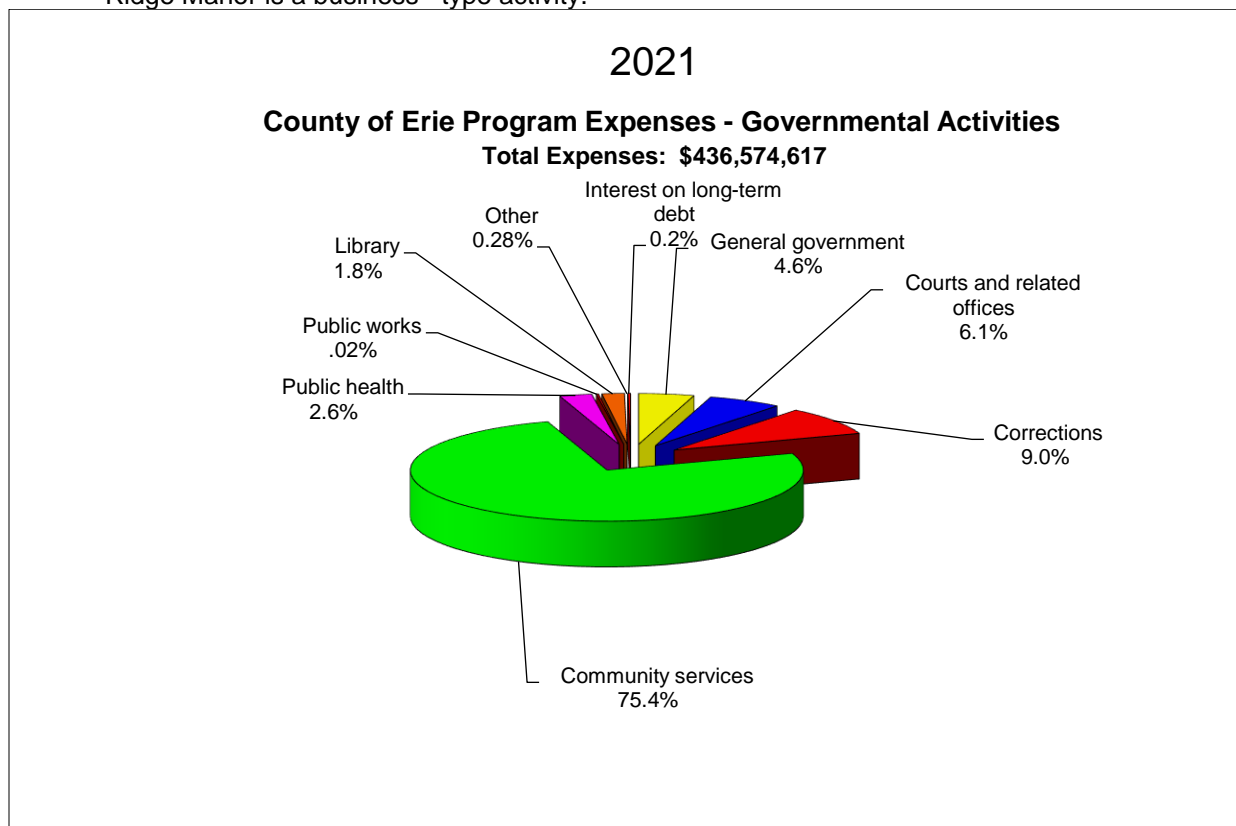


### Program Expenses

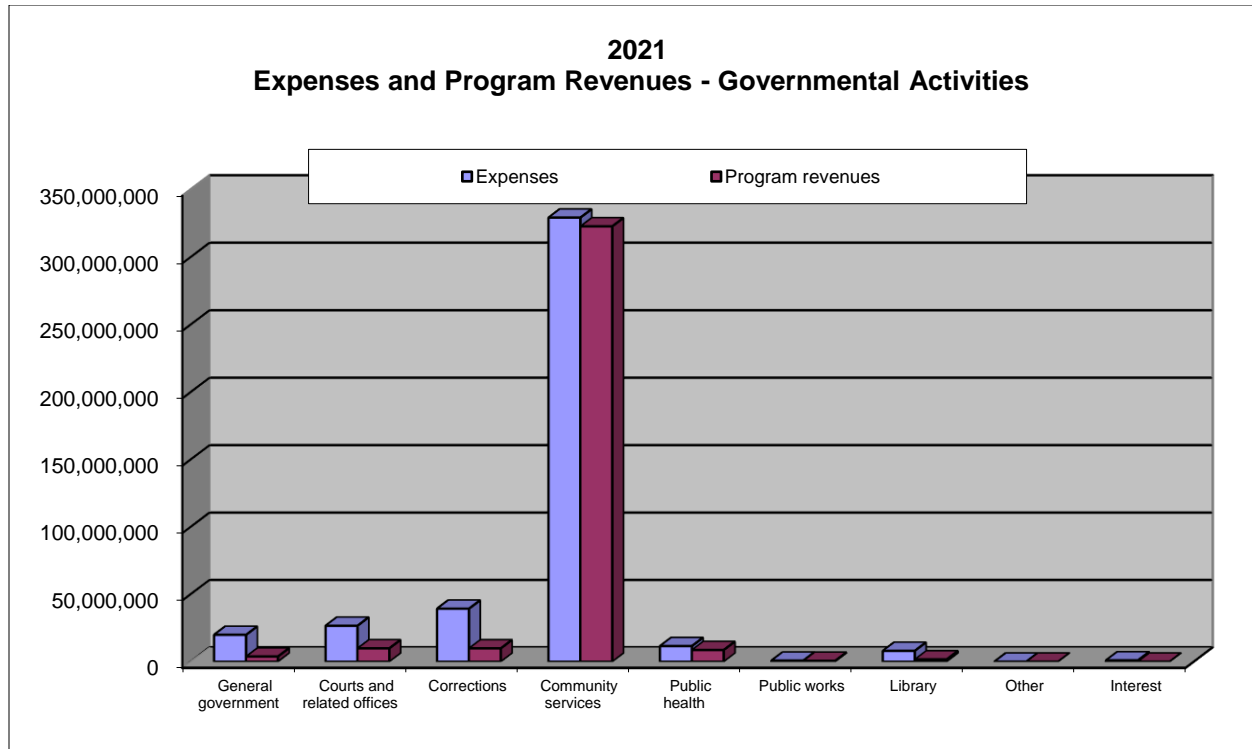
- General government expenses increased by \$2.6 million or 14.95%. Capital outlay expense increased \$1.2 million. Maintenance and Repairs increased \$385,422 due to delays of shipment and materials from COVID-19 in 2020 and routine charges in 2021. County IT costs increased \$215,175 as a result of replacement of old equipment and various licensing software from employees working remotely. There was also an increase of \$744,071 in the hotel motel tax revenue and expense which is related to VisitErie and the Erie County Convention Center Authority. This increase was due to the increased rates and occupancy.
- Courts and related expenses increased \$2.1 million or 8.62% attributable to more customary activity.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

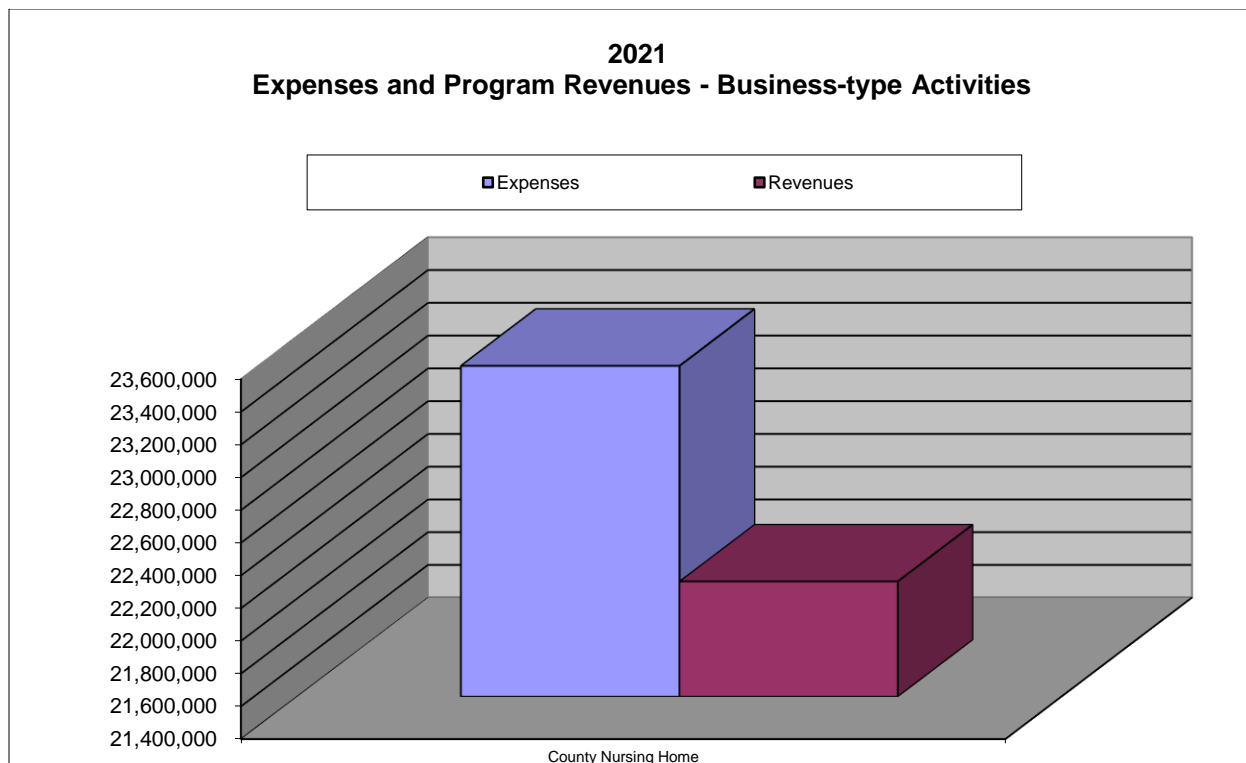
- An increase of \$7.1 million or 22.23% was related to corrections expenses. In 2020, the County moved \$4.58 million of Prison wages, overtime, and fringes to be reimbursed by CARES Act funding. This was not done for 2021. The County received federal reimbursements for housing of federal prisoners.
- The Community Services expense increased \$71.4 million or 27.71%. The majority of this increase was attributable to the over \$26 million ARPA funding that was received in 2021. Besides ARPA, additional grant funds were awarded amounting to an additional \$28 million. The County also issued \$2.5 million in grants to aid shuttered venues and lead assets that were affected by Governor Wolfe's December closure of restaurants and gyms. Health Choices expenses increased \$17 million due to the increase rates from the State on the County's capitation members, partially due to COVID-19, more eligible members in the County, expanded usage and the change to calendar year reporting.
- Public Health expenses increased \$3.2 million or 38.86% due to the addition of new grant funds to deal with the mitigation and detection of COVID-19.
- Public Works decreased by \$114,523 or 13.04%. Less money was spent on municipal projects and bridge inspections.
- Library expenses increased \$966,530 or 13.67%. The Library replaced their fire alarm system and started the Historic Newspaper Digitization Project.
- Interest on long term debt decreased by \$307,771. This amount is decreasing due to no new debt being incurred.
- The County transferred \$6,339,910 to Pleasant Ridge Manor, the county nursing home. Pleasant Ridge Manor is a business –type activity.



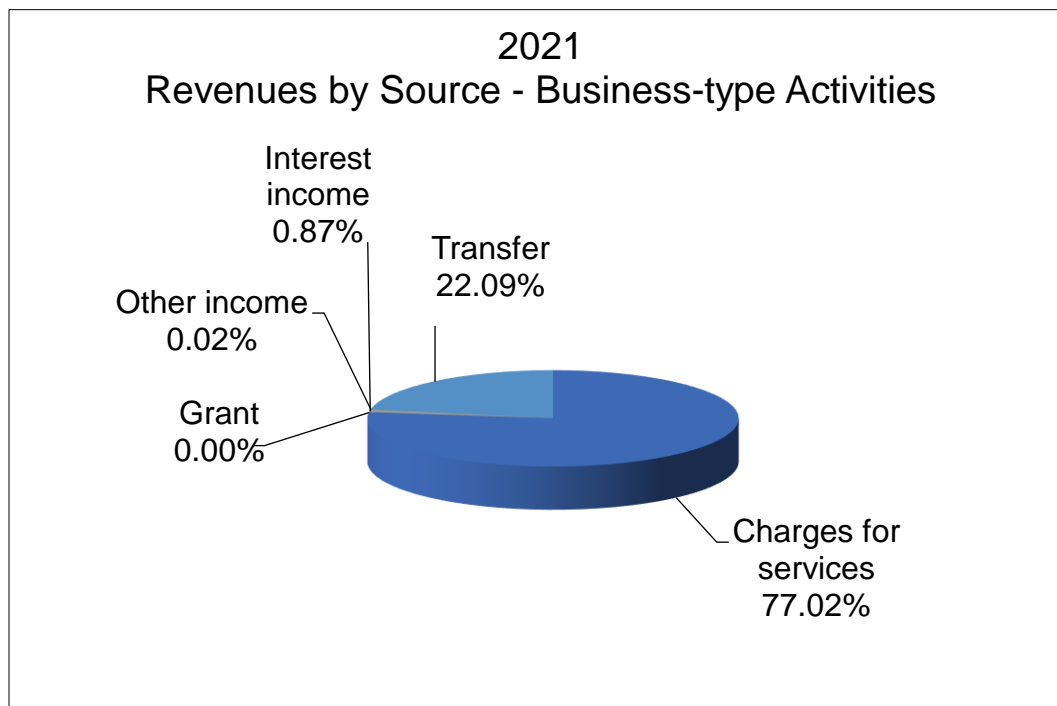
COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021



**Business-type Activities** - The County's nursing home, Pleasant Ridge Manor, is the only business-type blended component unit of the County. In 2021, operating revenues decreased by \$6,299,166 or 21.98% due to a decrease in the census. Pleasant Ridge required a County transfer in 2021 of \$6.3 million. Total expenses at Pleasant Ridge Manor decreased \$5.7 million or 19.68% due to the decreased census.



COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021



**Financial Analysis of the Government's Funds**

As noted earlier, the County of Erie uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The County has sixteen governmental funds which are classified as either major or non-major funds. The County's major funds consist of the General Fund, Mental Health/Intellectual Disabilities, Health Choices, Children and Youth, ARPA, Gaming, and Capital Projects. Liquid Fuels, Domestic Relations, Drug and Alcohol, Public Health, Library, Planning, Public Safety, Erie County Care Management, and Debt Service are the non-major funds. The focus of the County of Erie's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County of Erie's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current year, the County of Erie's governmental funds reported combined fund balances of \$109,960,033, an increase of \$5,426,696, in comparison with the prior year. Approximately \$50,927,149, or 42.4%, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The *non-spendable* portion of the fund balance of \$258,537 consists of prepaid items.

*Restricted fund balance* is set aside by law or by external sources for specific purposes. As of the end of 2021, the County has \$55,026,709 in restricted fund balance for a variety of purposes including: 1) Economic Development - \$8,000,000, 2) Mental Health Services - \$16,109,143, 3) Community Grants in the Gaming Fund - \$8,511,431, 5) Erie County Care Management - \$7,795,655, 6) Debt Service payments - \$2,450,922, 7) Emergency Services - \$2,136,908, 8) Judicial Services - \$1,180,238, 9) Community Redevelopment - \$2,279,143, 10) Recycling - \$283,082, 11) Roads and Bridges - \$5,969,574, 12) Land Preservation - \$17,790, 13) Child Support Enforcement - \$38,506, 14) Public Health - \$117,488, 15) Library Services - \$126,077, and 16) ARPA Program - \$10,752.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

*Assigned fund balance* reflects amounts that the government intends to be used for a specific purpose that are neither restricted nor committed. The County assigned \$3,747,638 for various capital projects financed by prior bond issues.

The County does not have any *committed fund balance* in which the highest fiscal decision making authority of the County, County Council, would set aside for a specific purpose.

Governmental fund revenues, expenditures, other financing sources and uses, and net changes in fund balance as of December 31, 2021 and 2020 were as follows:

Fund	2021			Net Changes in Fund Balance	
	Revenues	Expenditures	Net Other Financing	2021	2020
General Fund	\$ 112,057,325	\$ 84,290,619	\$ (25,949,023)	\$ 1,817,683	\$ 4,904,777
Mental Health Intellectual Disabilities	47,725,483	48,819,407	1,093,924	-	-
Children & Youth Services	49,766,089	59,985,054	10,218,965	-	-
Health Choices	139,352,717	137,348,050	-	2,004,667	5,230,051
Capital Projects	449,618	154,830	-	294,788	(1,938,400)
Liquid Fuels	633,851	763,650	-	(129,799)	(245,491)
Domestic Relations	3,369,433	4,712,945	1,354,557	11,045	2,379
Drug & Alcohol	6,533,891	6,815,755	281,864	-	-
Public Safety	5,863,896	6,104,666	691,619	450,849	323,473
Public Health	9,065,522	11,522,961	2,032,753	(424,686)	521,834
Library	1,829,079	7,393,229	5,554,699	(9,451)	10,154
Planning	3,658,502	2,960,305	567,363	1,265,560	497,296
Gaming	14,955,237	11,502,330	(4,621,088)	(1,168,181)	2,279,814
Erie County Care Management	34,157,179	32,861,936	-	1,295,243	823,315
Debt Service	8,225	9,526,456	9,526,457	8,226	14,911
ARPA	21,801,868	14,699,116	(7,092,000)	10,752	-
Total	<u>\$ 451,227,915</u>	<u>\$ 439,461,309</u>	<u>\$ (6,339,910)</u>	<u>\$ 5,426,696</u>	<u>\$ 12,424,113</u>

The General Fund is the chief operating fund of the County of Erie. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$50,927,149 while total fund balance increased to \$61,378,375. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 42.40% of total General Fund expenditures and transfers, while total fund balance represents 51.14% of that same amount.

In 2021 the General Fund balance increased by \$1.8 million or 3% from the prior year. Total revenue increased by \$9.3 million. Total expenditures increased by 11.6 million. Net other financing items decreased by \$214,575 million. Key factors for the changes are listed below:

- Real Estate taxes increased \$4,971,274 or 6.03%. Even with COVID-19 and waiving the penalty tax period, tax collections came in higher than expected due to an increase in interim taxes as a result of increased building and home improvement projects while people were at home during the pandemic shut down.
- Hotel tax revenue increased \$2.15 million or 66.71% due to lifted travel restrictions and increase in occupancy.
- Grant revenue in the General Fund increased \$2.4 million or 53.31%. The County received federal reimbursements for housing of federal prisoners. The County also received a pass thru grant for CHIRP (COVID-19 Hospital Industry Recovery Program).

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

- Interest income in the General Fund decreased by \$124,457 due to the reduction in interest rates currently being offered.
- Wages and fringes increase of 3%.
- Expenditures for services, materials and supplies increased by \$2.4 million. Because of the increased Hotel tax revenue there was an offsetting increase in expense of \$747,071. Maintenance and Repairs increased \$385,422 due to delays of shipment and materials from COVID-19. IT costs increased \$215,175.
- Grant expenses in the General Fund increased \$6 million in response to the COVID-19 pandemic. The County also issued \$2.5 million in grants to aid shuttered venues and lead assets that were affected by Governor Wolfe's December closure of restaurants and gyms
- Transfers to other funds were below budget by \$2 million in 2021. The transfer to Pleasant Ridge Manor, the business-type activity, increased \$5.8 million due to a decreased census.
- The Health Choices Fund reported an increase of \$2 million. The increase is a result of increased rates from the State on capitation members, partially due to Covid-19, more eligible members in the County, expanded usage and the conversion of Health Choices from a fiscal year to a calendar yearend.

Total government fund revenue increased \$77.64 million or 20.78% overall. Total expenses increased \$77.6 million or 20.78%.

The other non-major funds reported an increase of \$2.47 million.

- Liquid Fuels had a decrease of \$129,799. Appropriation from the State being lower than anticipated due to reduced travel as a result of Covid.
- Public Safety fund balance change was an increase of \$450,850 as a result of additional funds for statewide interconnectivity received from the State for 911.
- Erie County Care Management reported an increase of \$1.3 million. This increase was a result of increased because of the pandemic and increased per member per month capitation rates.
- The Planning fund realized an increase of \$1.27 million due to funding received for bridge and greenway projects and Act 89 funding which was the initiation of the \$5 additional charge on Erie County vehicle registration fees. Domestic Relations also saw a small increase in fund balance.
- In August of 2021, the County received \$26,195,751 in ARPA funding. The following is a breakdown of what was spent to date:
  - Different municipalities and municipal authorities received a total of \$2.5 million through the Municipal Assistance Reimbursement Program and Public Safety grants in the amount of \$1 million administered by the Erie County Planning Department
  - Shuttered venues received a total of \$1,474,990, new small businesses received \$150,000, diversity loans of \$337,500, startup grants of \$250,000, and \$2,779,500 for Urban Renewal and Community Development grants administered through the Erie County Redevelopment Authority
  - E for All received \$150,000 for entrepreneurship grants
  - 9 Lead assets received a total \$1 million
  - Erie County Gaming Revenue authority administered \$4 million in transformative grants
  - 942 employees received a vaccine incentive
  - The City of Corry Blue Zones initiative received \$745,000
  - Erie Regional Chamber administered \$150,000 for workforce development

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

- Erie Diversity Equity Inclusion Commission received \$3.5 million
- Pleasant Ridge Manor received \$2.7 million and the Erie County Convention Center Authority received \$2 million to help recover costs due to loss of revenue from the pandemic
- Fire Fighters Grant for (501c4) who were not eligible for recovery of funds received \$300,000
- Erie County Community College received \$1.5 million for Empowerment Grant and \$250,00 for Barrier Reduction Grant
- County assessed needs for maintenance repairs and equipment amounted to \$678,760

The following is a summary of the changes in governmental fund balances for the year 2021:

Fund	January 1, 2021	Net Change in Fund Balance	December 31, 2021
General Fund	\$ 59,560,692	\$ 1,817,683	\$ 61,378,375
Mental Health Intellectual Disabilities	-	-	-
Children & Youth Services	-	-	-
Health Choices	14,104,476	2,004,667	16,109,143
Capital Projects	3,452,850	294,788	3,747,638
Liquid Fuels	223,310	(129,799)	93,511
Domestic Relations	27,461	11,045	38,506
Drug & Alcohol	-	-	-
Public Safety	1,695,136	450,849	2,145,985
Public Health	545,799	(424,686)	121,113
Library	158,435	(9,451)	148,984
Planning	6,075,189	1,265,560	7,340,749
Gaming	9,679,612	(1,168,181)	8,511,431
Erie County Care Management	6,567,681	1,295,243	7,862,924
Debt Service	2,442,696	8,226	2,450,922
ARPA	-	10,752	10,752
Total Charge	<u>\$ 104,533,337</u>	<u>\$ 5,426,696</u>	<u>\$ 109,960,033</u>

### General Fund Budgetary Highlights

In the 2021 budget, \$1.9 million was appropriated from fund balance in order to balance the budget as well as a .25 mill tax increase. Over the course of the year ordinances were passed amounting to an addition appropriation of fund balance of \$2,064,677 yet at year end the County added \$1.8 million or 3% to fund balance. Key factors in the increase in fund balance and changes to the budget are as follows:

- Real Estate taxes were \$1.38 million or 1.61% over budget. Stimulus checks allowed property owners to be able to pay their current years' taxes timely. Tax collections for the most part came in higher than the budgeted amounts:
  - Current Collections - \$848,283
  - Rollback Tax-\$11,791
  - Rebate on Current Taxes - \$95,205
  - Delinquent Taxes - \$620,649
  - Payments in Lieu of Taxes - \$328,722

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

- Penalty on taxes were \$297,441 below budget due to the County waiving the penalty phase of collection.
- Hotel taxes were \$744,601 million over budget due to the ban on travel being lifted and increased occupancy rates.
- Grant revenue added \$2.29 million to the General Fund budget. Several other Covid related grants were received and added to the budget also. One was from the Department of Justice and the other from the Pennsylvania Commission on Crime and Delinquency.
- Charges for services added \$4.3 million to the General Fund, however, actuals fell short \$228,500.
- Interest income was \$204,152 below budget due to the plummet in interest rates.
- Community Service expense was \$176,490 over budget but had a budget appropriation change of \$7.4 million. The County gave the Erie County Convention Center Authority \$2 million in order to help sustain operations. They are a governmental entity and were not entitled to ARPA funding. Also, the County gave the Community College \$1.72 million for empowerment and barrier reduction grant to assist students.

**Capital assets** - The County of Erie's capital assets for its governmental funds as of December 31, 2021 amount to \$25,174,483 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, vehicles, and furniture and equipment; the County does not have any infrastructure. The County of Erie's capital assets decreased approximately 26.22% or \$6.6 million for the reasons listed below:

Major capital asset events during the current fiscal year included the following:

- Replacement and upgrade of fire alarm system for the Library. The cost of the project was \$120,000.
- Renovations were done to the second floor of the Children Services building for a total completion cost of \$693,449.
- Renovations were also started in Domestic Relations to build four Intake Officers' offices. Cost to date is \$73,058, and this project is now completed.
- Public Safety parking lot repair and expansion. The cost of the project was \$445,000.
- Purchase of new Hazmat Bus was made in the amount of \$241,731 in Public Safety.
- Many laptops, video cameras and other computer equipment were purchased to aid in work from home and virtual meetings.

COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

For additional information please see Note 5, Capital Assets in the Notes to the Financial Statements in this report.

	Governmental activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 1,501,237	\$ 1,501,237	\$ 150,490	\$ 150,490	\$ 1,651,727	\$ 1,651,727
Land improvements	-	-	973,091	1,080,167	973,091	1,080,167
Buildings and improvements	20,425,021	23,142,757	1,212,368	1,580,566	21,637,389	24,723,323
Vehicles	1,163,921	996,863	-	-	1,163,921	996,863
Furniture and Equipment	2,084,304	6,134,113	2,448,744	2,546,968	4,533,048	8,681,081
Total	<u>\$ 25,174,483</u>	<u>\$ 31,774,970</u>	<u>\$ 4,784,693</u>	<u>\$ 5,358,191</u>	<u>\$ 29,959,176</u>	<u>\$ 37,133,161</u>

**Long-Term Debt** - At the end of the current fiscal year, the County of Erie had outstanding bonds of \$30,735,000, all of which comprises debt backed by the full faith and credit of the government.

The County has 2005, 2012, 2015 and 2017 general obligation bonds outstanding. Some of the issues such as part of the 2005, 2012, and 2017 issues refunded previous debt to take advantage of lower interest rates. Part of the 2005 issue financed renovations to county facilities such as telephone upgrades, HVAC systems, elevator and ADA accessibility upgrades, facade restoration and construction in the main Library, Prison, and Human Service Buildings, as well as computer upgrades and the purchase of voting machines. In 2015, the County issued general obligation bonds in the amount of \$17,380,000 for the Public Radio Project. In 2017, the County did a current refunding of the 2007 general obligation bonds. The refunding allowed the County to realize \$2.9 million in savings.

The County also guaranteed \$104,500,000 of hotel revenue bonds issued by the Erie County Convention Center Authority for both a hotel completed in early 2008 next to the brand new Erie County Convention Center, and the construction of a new hotel and parking garage to the west of the Erie County Convention Center. The County does not anticipate that the convention center authority will default on the loans.

For additional information related to long-term debt, please refer to Note 10: Long Term Obligations in the Notes to the Financial Statement section in this report.

The County's business-type activity, Pleasant Ridge Manor, does not have any long-term debt.

### County Bond Rating

During 2012, Standard and Poor's upgraded the County's credit rating from AA- to AA. Moody's maintained the credit rating of Aa2. Standard and Poor's was affirmed in July of 2017. Moody's was reaffirmed in November 2018.

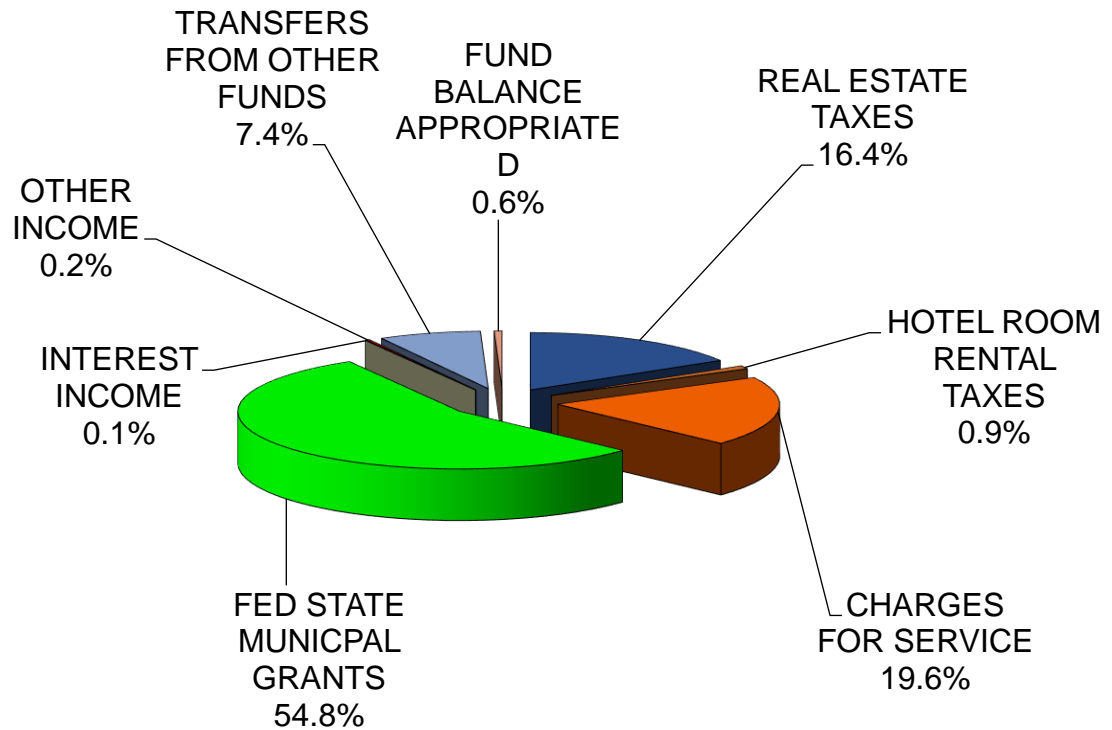
COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Economic Factors and Next Year's Budgets and Rates**

- The County real estate tax rate was increased .25 mil in the 2021 budget process raising the current rate to 5.96 mils.
- The County has realized savings from self-funded medical and dental plans and uses an internal service fund to account for all fringe benefits. In 2021 the budgeted cost for hospitalization and drug decreased 1% over the 2020 rates. In 2020 hospitalization costs were down due to elective procedures either being cancelled or postponed, increase use of telemedicine, and lower overall claims. Drug costs remained consistent. Covid was taken into account in the setting of the 2021 rates. Also starting in 2021 the County is implementing a wellness reward program with lower payroll deductions for those who meet four requirements such as filling out a health survey, having a physical, having a biometric screening and taking part in a tobacco cessation if they smoke to remain at 5%. All others will increase to 10% of the monthly rates. Budgeted dental rates were also reduced by 4.7%.
- The County's annual determined pension calculation changed from \$6,397,197 in 2020 to \$6,555,075, a \$157,878 or 2.5% increase. The accrual rate the County used in 2020 was 12.62% which decreased to 11.63% in 2021. The main reason for the decrease in the accrual rate is because when the 2020 rates were calculated the actuary gave the County a conservative range. We accrued at the level that the estimated determined contribution would be \$6,950,000. In 2019 the rate was set low and the difference was made up from the employee fringe fund balance. The higher rate in 2020 allowed the County to help offset the prior year's shortfall.
- Gaming funds are being used to fund the grants to other organizations in the 2021 Budget even though the grants in the past were moved out of the Gaming Fund budget in order to restrict the fund balance to be used for the Community College.
- The Pennsylvania Board of Education officially voted 10-5 on July 8, 2020, to establish the Erie County Community College. The school is targeted to hold their first semester fall of 2021. The College will be considered a component unit of the County and will be part of next year's audit.
- Erie County is set to receive \$52,391,502 in direct federal aid from the American Rescue Plan Act. The County will receive half or \$26,195,251 in 2021 and the second half will be received in 2022.
- As of May 30, 2021, 47.3% of Erie County's population has received at least one dose of the Covid vaccine.
- The unemployment rate for the County of Erie for 2020 was 8.8%, an increase of 3.8% from the prior year. The number of employed persons in Erie County decreased from 122,500 in 2019 to 114,900 in 2020.
- Building permits issued in 2020 decreased by 156 or 6% from those issued in 2019; 2,460 permits were issued in 2020 and 2,616 were issued in 2019.

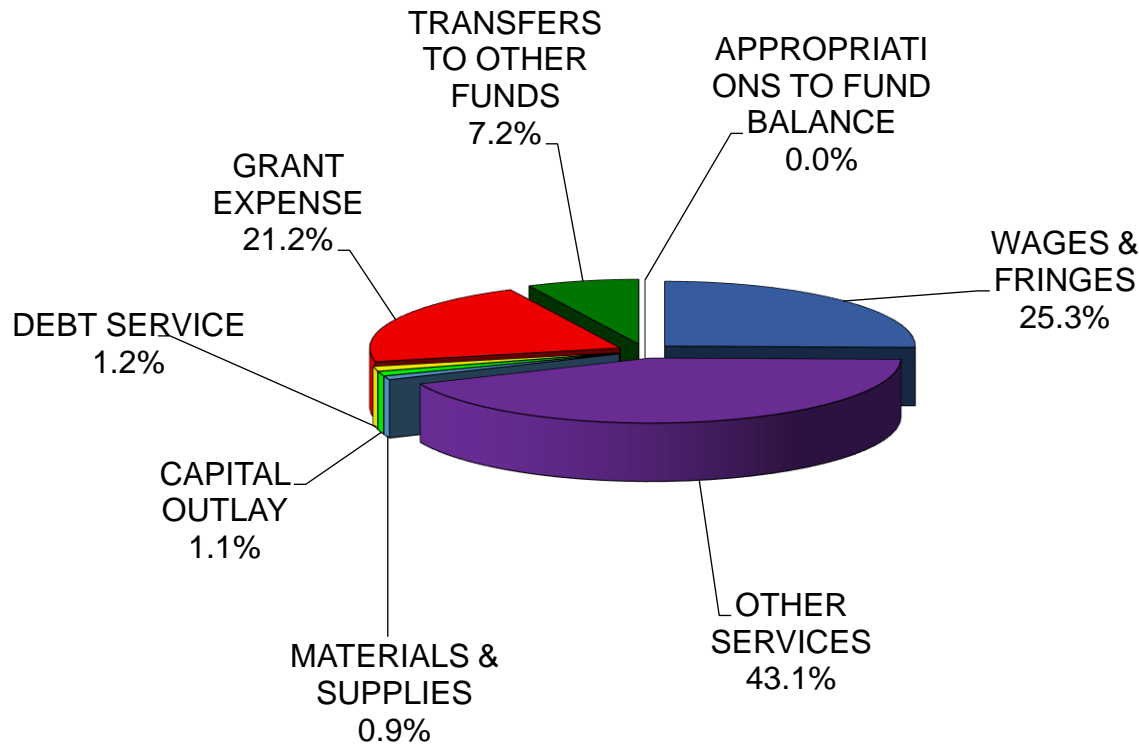
COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

**2022**  
**COUNTY OF ERIE FINAL BUDGET**  
**TOTAL REVENUE FOR ALL FUNDS**  
**\$ 529,784,589**



COUNTY OF ERIE, PENNSYLVANIA  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

**2022**  
**COUNTY OF ERIE FINAL BUDGET**  
**TOTAL EXPENDITURES FOR ALL FUNDS**  
**\$ 529,784,589**



### Requests for Information

This financial report is designed to provide a general overview of the County of Erie's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Office, 140 West 6<sup>th</sup> Street, Room 505, Erie, Pennsylvania 16501. Information is also available on the County's website, [eriecountypa.gov](http://eriecountypa.gov). The financial statements of Pleasant Ridge Manor and Pleasant Ridge Manor Pension Trust can be obtained from the administrative office at 8300 West Ridge Road, Girard, Pennsylvania 16417. The financial statements for Erie County Care Management can be requested from the fiscal office at 1527 Sassafra Street, Erie Pennsylvania 16502. The financial statements for Erie County Community College can be requested from 900 State Street, Suite 308, Erie, PA 16501.



## **BASIC FINANCIAL STATEMENTS**

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021, MARCH 31, 2021, OR JUNE 30, 2021

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total (Year End)	Erie County Gaming Revenue Authority (March 31, 2021)	Erie County Land Bank (December 31, 2021)	Erie County Community College (June 30, 2021)
<b>Assets</b>						
Current Assets:						
Cash and cash equivalents	\$ 117,986,223	\$ 3,920,946	\$ 121,907,169	\$ 10,089,578	\$ 3,068,049	\$ 640,236
Investments	3,982,274	-	3,982,274	-	-	-
Receivables, net	65,783,097	4,550,007	70,333,104	-	-	461,803
Inventory	-	232,139	232,139	-	-	-
Prepaid items	344,152	154,442	498,594	6,899	9,709	585,176
Other	-	10,370	10,370	-	115,371	15,000
Total current assets	188,095,746	8,867,904	196,963,650	10,096,477	3,193,129	1,702,215
Noncurrent assets:						
Designated cash	-	1,596,296	1,596,296	-	-	-
Designated investments	-	460,175	460,175	-	-	-
Advances to Redevelopment Authority	8,000,000	-	8,000,000	-	-	-
Note receivable	-	-	-	6,148,846	-	-
Net pension asset	4,953,061	12,768,916	17,721,977	-	-	-
Capital assets not being depreciated	1,501,237	150,490	1,651,727	-	-	-
Capital assets, net accumulated depreciation	23,673,246	4,634,203	28,307,449	-	-	371,620
Total noncurrent assets	38,127,544	19,610,080	57,737,624	6,148,846	-	371,620
<b>Total Assets</b>	<b>226,223,290</b>	<b>28,477,984</b>	<b>254,701,274</b>	<b>16,245,323</b>	<b>3,193,129</b>	<b>2,073,835</b>
<b>Deferred Outflows of Resources</b>						
Deferred outflows of resources for pension	4,446,413	223,704	4,670,117	-	-	-
Deferred outflows of resources for OPEB	-	415,151	415,151	-	-	-
<b>Total Deferred Outflows of Resources</b>	<b>4,446,413</b>	<b>638,855</b>	<b>5,085,268</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>						
Current Liabilities:						
Accounts payable	36,168,514	3,482,211	39,650,725	-	51,836	247,114
Accrued liabilities	12,033,047	217,749	12,250,796	-	119	16,547
Due to other taxing units	3,008,243	-	3,008,243	-	-	-
Unearned revenue	25,679,476	-	25,679,476	-	-	-
Accrued interest payable	482,019	-	482,019	-	-	-
Compensated absences	81,012	470,026	551,038	-	-	-
Bonds payable	5,420,000	-	5,420,000	-	-	-
Other liabilities	-	1,731,549	1,731,549	-	-	-
Total current liabilities	82,872,311	5,901,535	88,773,846	-	51,955	263,661
Noncurrent liabilities:						
Workers' compensation reserve payable	-	54,711	54,711	-	-	-
Compensation absences	1,909,575	-	1,909,575	-	-	-
Bonds payable, net	28,279,957	-	28,279,957	-	-	-
OPEB liability	42,748,567	2,470,372	45,218,939	-	-	-
Total noncurrent liabilities	72,938,099	2,525,083	75,463,182	-	-	-
<b>Total Liabilities</b>	<b>155,810,410</b>	<b>8,426,618</b>	<b>164,237,028</b>	<b>-</b>	<b>51,955</b>	<b>263,661</b>
<b>Deferred Inflows of Resources</b>						
Deferred inflows of resources for pension	24,358,868	9,119,759	33,478,627	-	-	-
Deferred inflows of resources for OPEB	-	402,196	402,196	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>24,358,868</b>	<b>9,521,955</b>	<b>33,880,823</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net investment in capital assets	1,664,821	4,784,693	6,449,514	-	-	371,620
Restricted for:						
Economic development	8,000,000	-	8,000,000	16,245,323	3,141,174	-
Debt service	2,450,922	-	2,450,922	-	-	-
Public health	121,113	-	121,113	-	-	-
Library	148,984	-	148,984	-	-	-
Liquid fuels	93,511	-	93,511	-	-	-
Court and related offices	1,419,056	-	1,419,056	-	-	-
Community College	-	-	-	-	-	15,000
Community services	43,085,561	-	43,085,561	-	-	-
Unrestricted	(6,483,543)	6,383,573	(99,970)	-	-	1,423,554
<b>Total Net Position</b>	<b>\$ 50,500,425</b>	<b>\$ 11,168,266</b>	<b>\$ 61,668,691</b>	<b>\$ 16,245,323</b>	<b>\$ 3,141,174</b>	<b>\$ 1,810,174</b>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021, OR JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total (Dec. 31, 2021)	Erie County Gaming Revenue Authority (March 31, 2021)	Erie County Land Bank (Dec. 31, 2021)	Erie County Community College (June 30, 2021)
<b>Primary Government:</b>										
Governmental activities										
General government	\$ 19,938,695	\$ 3,651,579	155,703	\$ -	\$ (16,131,413)	\$ -	\$ (16,131,413)	\$ -	\$ -	\$ -
Courts and related offices	26,669,256	5,696,011	4,197,868	-	(16,775,377)	-	(16,775,377)	-	-	-
Corrections	39,338,013	2,642,200	7,242,413	-	(29,453,400)	-	(29,453,400)	-	-	-
Community services	329,299,977	26,159,002	296,694,583	-	(6,446,392)	-	(6,446,392)	-	-	-
Public health	11,569,053	641,380	8,005,776	-	(2,921,897)	-	(2,921,897)	-	-	-
Public works	763,650	-	633,563	-	(130,087)	-	(130,087)	-	-	-
Library	8,038,316	71,818	1,611,865	-	(6,354,633)	-	(6,354,633)	-	-	-
Interest	957,657	-	-	-	(957,657)	-	(957,657)	-	-	-
Total governmental activities	436,574,617	38,861,990	318,541,771	-	(79,170,856)	-	(79,170,856)	-	-	-
Business-type activities:										
County owned long-term care facility	23,421,207	20,839,287	1,265,318	5,133	-	(1,311,469)	(1,311,469)	-	-	-
<b>Total primary government</b>	<b>459,995,824</b>	<b>59,701,277</b>	<b>319,807,089</b>	<b>5,133</b>	<b>(79,170,856)</b>	<b>(1,311,469)</b>	<b>(80,482,325)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Component units:</b>										
Erie County Gaming Revenue Authority	4,475,933	4,432,299	275,000	-	-	-	-	231,366	-	-
Erie County Community College	853,422	-	2,663,596	-	-	-	-	-	-	1,810,174
Erie County Land Bank	326,992	1,000,000	-	44,100	-	-	-	-	717,108	-
<b>Total component units</b>	<b>\$ 5,656,347</b>	<b>\$ 5,432,299</b>	<b>\$ 2,938,596</b>	<b>\$ 44,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>231,366</b>	<b>717,108</b>	<b>1,810,174</b>
General revenues:										
Taxes:										
Property					86,813,857	-	86,813,857	-	-	-
Hotel room					5,379,769	-	5,379,769	-	-	-
Interest income					217,421	248,898	466,319	134,108	4,241	-
Other income					793,239	-	793,239	-	-	-
Transfers					(6,339,910)	6,339,910	-	-	-	-
Total general revenues and transfers					86,864,376	6,588,808	93,453,184	134,108	4,241	-
<b>Changes in Net Position</b>					7,693,520	5,277,339	12,970,859	365,474	721,349	1,810,174
Net position - beginning of year					42,806,905	5,890,927	48,697,832	15,879,849	2,419,825	-
Net position - end of year					\$ 50,500,425	\$ 11,168,266	\$ 61,668,691	\$ 16,245,323	\$ 3,141,174	\$ 1,810,174

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

<b>Assets</b>	General	Mental Health/ Intellectual Disabilities	Health Choices
Cash and cash equivalents	\$ 28,001,827	\$ 6,471,460	\$ 32,716,963
Investments	-	-	2,848,501
Receivables, net	10,325,208	8,342,594	12,156,646
Due from other funds	27,339,318	3,000	12,944
Prepaid items	155,659	-	-
Advance to Redevelopment Authority	8,000,000	-	-
<b>Total Assets</b>	<b>\$ 73,822,012</b>	<b>\$ 14,817,054</b>	<b>\$ 47,735,054</b>
<b>Liabilities, Deferred</b>			
<b>Inflows of Resources and Fund Balance</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 1,812,902	\$ 2,071,175	\$ 23,044,574
Accrued Liabilities	2,131,778	78,434	80,349
Due to other funds	3,718,362	128,975	60,692
Due to other taxing units	-	-	-
Unearned revenue	16,715	12,538,470	8,440,296
<b>Total Liabilities</b>	<b>7,679,757</b>	<b>14,817,054</b>	<b>31,625,911</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	4,763,880	-	-
<b>Fund Balance:</b>			
Nonspendable:			
Prepaid items	155,659	-	-
Restricted for:			
Judicial services	1,180,238	-	-
Child support enforcement	-	-	-
Road and bridges improvements	-	-	-
Public health services	-	-	-
Mental health services	-	-	16,109,143
Erie County Care Management	-	-	-
Library services	-	-	-
Emergency services	-	-	-
Land preservation	-	-	-
Community grants	-	-	-
Community redevelopment	1,115,329	-	-
Recycling	-	-	-
Economic Development Revolving Loans	8,000,000	-	-
ARPA Program	-	-	-
Debt payments on general obligation bonds	-	-	-
Assigned for:			
Various capital projects	-	-	-
Unassigned	50,927,149	-	-
<b>Total Fund Balance</b>	<b>61,378,375</b>	<b>-</b>	<b>16,109,143</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 73,822,012</b>	<b>\$ 14,817,054</b>	<b>\$ 47,735,054</b>

The accompanying notes are an integral part of the financial statements.

Children and Youth	ARPA	Gaming	Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 140,787	\$ 11,521,237	\$ 10,415,604	\$ 3,747,338	\$ 24,971,007	\$ 117,986,223
-	-	-	-	1,133,773	3,982,274
22,239,639	2,207	3,018,406	300	9,371,035	65,456,035
62,610	-	-	-	992,462	28,410,334
-	-	-	-	102,878	258,537
-	-	-	-	-	8,000,000
<u>\$ 22,443,036</u>	<u>\$ 11,523,444</u>	<u>\$ 13,434,010</u>	<u>\$ 3,747,638</u>	<u>\$ 36,571,155</u>	<u>\$ 224,093,403</u>
\$ 5,741,553	\$ -	\$ -	\$ -	\$ 2,744,344	\$ 35,414,548
777,554	-	-	-	8,856,797	11,924,912
15,855,899	7,108,057	2,164,181	-	4,306,145	33,342,311
-	-	2,758,398	-	249,845	3,008,243
68,030	4,404,635	-	-	211,330	25,679,476
<u>22,443,036</u>	<u>11,512,692</u>	<u>4,922,579</u>	<u>-</u>	<u>16,368,461</u>	<u>109,369,490</u>
-	-	-	-	-	4,763,880
-	-	-	-	102,878	258,537
-	-	-	-	-	1,180,238
-	-	-	-	38,506	38,506
-	-	-	-	5,969,574	5,969,574
-	-	-	-	117,488	117,488
-	-	-	-	-	16,109,143
-	-	-	-	7,795,655	7,795,655
-	-	-	-	126,077	126,077
-	-	-	-	2,136,908	2,136,908
-	-	-	-	17,790	17,790
-	-	8,511,431	-	-	8,511,431
-	-	-	-	1,163,814	2,279,143
-	-	-	-	283,082	283,082
-	-	-	-	-	8,000,000
-	10,752	-	-	-	10,752
-	-	-	-	2,450,922	2,450,922
-	-	-	3,747,638	-	3,747,638
-	-	-	-	-	50,927,149
<u>-</u>	<u>10,752</u>	<u>8,511,431</u>	<u>3,747,638</u>	<u>20,202,694</u>	<u>109,960,033</u>
<u>\$ 22,443,036</u>	<u>\$ 11,523,444</u>	<u>\$ 13,434,010</u>	<u>\$ 3,747,638</u>	<u>\$ 36,571,155</u>	<u>\$ 224,093,403</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 DECEMBER 31, 2021

**Total Fund Balance - Governmental Funds** \$ 109,960,033

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources, and, therefore, are not reported in the governmental funds. 25,174,483

Certain long-term assets are not available to pay current period expenditures, and, therefore, are reported as unavailable revenue in the governmental funds. 4,763,880

An Internal Service Fund is used by management to charge the costs of employee benefits to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the statement of net position. 4,482,553

The other post-employment benefits liability is reflected on the statement of net position, but is not considered a current expenditure for the governmental fund statements. (42,748,567)

The net pension asset is reflected on the statement of net position, but is not considered a current expenditure for the governmental fund statements. 4,953,061

Deferred outflows and inflows of resources for pensions and OPEB are recorded and amortized in the statement of net position and are not recorded on the fund financial statements. (19,912,455)

Current liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds payable	(30,735,000)	
Bond premium	(2,964,957)	
Compensated absences	(1,990,587)	
Accrued interest payable	(482,019)	(36,172,563)

**Total Net Position - Governmental Activities** \$ 50,500,425

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	General	Mental Health/ Intellectual Disabilities	Health Choices
<b>Revenues:</b>			
Real estate taxes	\$ 87,433,725	\$ -	\$ -
Hotel tax	5,379,769	-	-
Federal, state, and municipal grants	7,065,895	47,637,684	139,348,081
Charges for services	12,014,269	-	-
Interest income	85,848	2,097	4,636
Other income	77,819	85,702	-
Total Revenues	112,057,325	47,725,483	139,352,717
<b>Expenditures:</b>			
Current:			
General government	20,158,620	-	-
Courts and related offices	21,530,640	-	-
Corrections	29,506,424	-	-
Community services	12,619,718	48,819,407	137,348,050
Public health	-	-	-
Public works	-	-	-
Library	-	-	-
Other	-	-	-
Capital outlay	475,217	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	84,290,619	48,819,407	137,348,050
<b>Excess (Deficiency) of Revenue Over (Under)</b>			
<b>Expenditures</b>	27,766,706	(1,093,924)	2,004,667
<b>Other Financing Sources (Uses):</b>			
Transfers in	9,790,225	1,093,924	-
Transfers out	(35,739,248)	-	-
Total other financing sources (uses)	(25,949,023)	1,093,924	-
<b>Net Change in Fund Balance</b>	1,817,683	-	2,004,667
<b>Fund Balance:</b>			
Beginning of year	59,560,692	-	14,104,476
End of year	\$ 61,378,375	\$ -	\$ 16,109,143

The accompanying notes are an integral part of the financial statements.

Children and Youth	ARPA	Gaming	Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,433,725
-	-	-	-	-	5,379,769
49,329,424	21,791,116	-	-	53,369,571	318,541,771
436,663	-	14,950,971	443,449	11,016,638	38,861,990
2	-	4,266	6,169	103,651	206,669
-	10,752	-	-	629,718	803,991
<u>49,766,089</u>	<u>21,801,868</u>	<u>14,955,237</u>	<u>449,618</u>	<u>65,119,578</u>	<u>451,227,915</u>
-	-	-	-	-	20,158,620
-	-	-	-	4,712,945	26,243,585
8,786,242	-	-	-	-	38,292,666
51,078,918	14,699,116	11,502,330	-	48,323,889	324,391,428
-	-	-	-	11,516,852	11,516,852
-	-	-	-	763,650	763,650
-	-	-	-	7,393,229	7,393,229
-	-	-	-	3,915	3,915
119,894	-	-	154,830	424,882	1,174,823
-	-	-	-	7,665,000	7,665,000
-	-	-	-	1,857,541	1,857,541
<u>59,985,054</u>	<u>14,699,116</u>	<u>11,502,330</u>	<u>154,830</u>	<u>82,661,903</u>	<u>439,461,309</u>
<u>(10,218,965)</u>	<u>7,102,752</u>	<u>3,452,907</u>	<u>294,788</u>	<u>(17,542,325)</u>	<u>11,766,606</u>
10,509,365	-	-	-	22,423,729	43,817,243
<u>(290,400)</u>	<u>(7,092,000)</u>	<u>(4,621,088)</u>	<u>-</u>	<u>(2,414,417)</u>	<u>(50,157,153)</u>
<u>10,218,965</u>	<u>(7,092,000)</u>	<u>(4,621,088)</u>	<u>-</u>	<u>20,009,312</u>	<u>(6,339,910)</u>
-	10,752	(1,168,181)	294,788	2,466,987	5,426,696
<u>-</u>	<u>-</u>	<u>9,679,612</u>	<u>3,452,850</u>	<u>17,735,707</u>	<u>104,533,337</u>
<u>\$ -</u>	<u>\$ 10,752</u>	<u>\$ 8,511,431</u>	<u>\$ 3,747,638</u>	<u>\$ 20,202,694</u>	<u>\$ 109,960,033</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2021

**Net Change in Fund Balance - Governmental Funds** **\$ 5,426,696**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays, reported as expenditures in the governmental funds, are shown as capital assets in the statement of net position:

Buildings and improvements	118,903	
Vehicles	812,892	
Furniture and equipment	<u>319,190</u>	1,250,985

Depreciation expense of governmental capital assets is included in the governmental activities on the statement of activities. (7,611,420)

The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, or donations) is to decrease net position. (240,052)

Changes in the other post-employment benefits liability are reflected on the statement of net position but are not considered a current expenditure for the fund statements. 829,744

Repayment of long-term debt is reported as an expenditure in the governmental funds, but a reduction of long-term liabilities in the statement of net position. In the current year, these amounts are:

Bond principal payments	7,665,000	
Change in compensation absences	<u>(90,267)</u>	7,574,733

The governmental fund financial statements report the effect of bond premiums when debt is first issued, whereas these amounts are amortized in the statement of activities. 787,181

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 112,703

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (619,868)

Changes in the net pension liability and related deferred outflows and inflows of resources reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (484,260)

Internal Service Funds are used by management to charge the costs to individual funds. The net operating income (loss) of certain activities of the Internal Service Fund is reported within governmental activities. 667,078

**Change in Net Position of Governmental Activities** **\$ 7,693,520**

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2021

	Business-Type Activities Enterprise Fund <u>Pleasant Ridge Manor</u>	Governmental Activities <u>Internal Service Funds</u>
<b>Assets and Deferred Outflows of Resources:</b>		
<u>Assets:</u>		
Current assets:		
Cash and cash equivalents	\$ 3,920,946	\$ -
Receivables:		
Accounts receivable	238	327,062
Due from other funds	-	4,931,977
Resident receivables (net of allowance of \$601,700)	4,549,769	-
Inventories	232,139	-
Other assets	10,370	-
Prepaid expenses	154,442	85,615
Total current assets	<u>8,867,904</u>	<u>5,344,654</u>
Noncurrent assets:		
Designated assets:		
Designated cash and cash equivalents:		
Dental Insurance Fund	1,098	-
Workers' Compensation Fund	2,282	-
Depreciation Reserve Fund	1,592,916	-
Designated Investment:		
Workers' Compensation Fund	460,175	-
Total designated assets	<u>2,056,471</u>	<u>-</u>
Capital assets, not being depreciated	150,490	-
Capital assets, net of accumulated depreciation	4,634,203	-
Total capital assets	<u>4,784,693</u>	<u>-</u>
Net pension asset	12,768,916	-
Total noncurrent assets	<u>19,610,080</u>	<u>-</u>
Total assets	<u>28,477,984</u>	<u>5,344,654</u>
<u>Deferred Outflows of Resources:</u>		
Deferred outflows of resources for pension	223,704	-
Deferred outflows of resources for OPEB	415,151	-
Total Deferred Outflows of Resources	<u>638,855</u>	<u>-</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u><u>\$ 29,116,839</u></u>	<u><u>\$ 5,344,654</u></u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS (CONTINUED)  
DECEMBER 31, 2021

	Business-Type Activities Enterprise Fund <u>Pleasant Ridge Manor</u>	Governmental Activities <u>Internal Service Funds</u>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>		
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable	\$ 3,257,739	\$ -
Medical claims payable	224,472	753,967
Accrued liabilities	-	108,134
Accrued payroll and related taxes	217,749	-
Compensated absences	470,026	-
Other liabilities	<u>1,731,549</u>	<u>-</u>
Total current liabilities	<u>5,901,535</u>	<u>862,101</u>
Noncurrent liabilities:		
Workers' compensation reserve payable	54,711	-
OPEB liability	<u>2,470,372</u>	<u>-</u>
Total noncurrent liabilities	<u>2,525,083</u>	<u>-</u>
Total liabilities	<u>8,426,618</u>	<u>862,101</u>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows of resources for pension	9,119,759	-
Deferred inflows of resources for OPEB	<u>402,196</u>	<u>-</u>
Total Deferred inflows of Resources	<u>9,521,955</u>	<u>-</u>
<b>Net Position:</b>		
Net investment in capital assets	4,784,693	-
Unrestricted	<u>6,383,573</u>	<u>4,482,553</u>
Total Net Position	<u>11,168,266</u>	<u>4,482,553</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u><u>\$ 29,116,839</u></u>	<u><u>\$ 5,344,654</u></u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities Enterprise Fund Pleasant Ridge Manor	Governmental Activities Internal Service Funds
<b>Operating Revenues:</b>		
Net resident service revenue	\$ 20,754,058	\$ -
Other operating revenue	85,229	-
Employer contributions	-	32,955,948
Employee contributions	-	1,087,939
Total operating revenues	20,839,287	34,043,887
<b>Operating Expenses:</b>		
Administration	1,731,660	-
Professional services	61,944	-
Therapy	802,782	-
General services	1,363,723	-
Pharmacy	1,486,406	-
Nursing	7,438,508	-
Dietary	2,395,240	-
Maintenance	705,390	-
Laundry	575,632	-
Housekeeping	914,010	-
Security	98,125	-
Utilities	575,566	-
General liability insurance	174,930	-
Depreciation	904,254	-
Bank fees	2,324	-
Benefits expense	4,190,713	11,389,212
Insurance premiums	-	1,037,195
Claims payments	-	20,950,402
Total operating expenses	23,421,207	33,376,809
<b>Operating Income (Loss)</b>	(2,581,920)	667,078
<b>Nonoperating Revenues (Expenses):</b>		
Interest revenue	6,714	-
Grants and contributions	1,265,318	-
Dividend on stocks	242,184	-
Total nonoperating revenues (expenses), before transfers	1,514,216	-
Capital contribution - donated equipment	5,133	
Transfers In	6,339,910	-
<b>Change in Net Position</b>	5,277,339	667,078
<b>Net Position:</b>		
Beginning of year	5,890,927	3,815,475
End of year	\$ 11,168,266	\$ 4,482,553

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities Enterprise Fund Pleasant Ridge Manor	Governmental Activities Internal Service Funds
<b>Cash Flows From Operating Activities:</b>		
Receipts from patient services	\$ 16,683,588	\$ -
Receipts from miscellaneous sources	85,229	-
Cash received from users	-	34,043,887
Payment to employees	(13,842,210)	-
Payment for employees benefits	(7,999,097)	(34,043,887)
Payment to suppliers and operations	(2,892,051)	-
Net cash provided by (used in) operating activities	(7,964,541)	-
<b>Cash Flows From Noncapital Financing Activities:</b>		
Grants and contributions	2,683,950	-
Transfers from other funds	6,339,910	-
Net cash provided by (used in) noncapital financial activities	9,023,860	-
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Acquisition, constructing, and improvement of capital assets	(325,621)	-
<b>Cash Flows From Investing Activities:</b>		
Dividends on stock	242,184	-
Interest	6,714	-
Net cash provided by (used in) investing activities	248,898	-
<b>Net Increase in Cash and Cash Equivalents</b>	982,596	-
<b>Cash and Cash Equivalents:</b>		
Beginning of year	4,534,646	-
End of year	\$ 5,517,242	\$ -
Consist of:		
Cash and cash equivalents	\$ 3,920,946	\$ -
Designated cash and cash equivalents	1,596,296	-
	\$ 5,517,242	\$ -

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Reconciliation of Operating Income (Loss) to Net  
Cash Provided by (Used in) Operating Activities:**

Operating income (loss)	\$	(2,581,920)	\$	667,078
Adjustments to reconcile operating income (loss) to net Cash provided by (used in) operating activities:				
Depreciation		904,254		-
Pension (income) expense		(3,642,753)		-
OPEB (income) expense		(144,867)		-
Change in operating assets and liabilities:				
Accounts receivable		-		5,846
Resident receivables		(4,070,232)		-
Amount due from third party payers		(238)		-
Due from other funds		-		(104,467)
Inventories		(6,965)		-
Prepaid expenses		243,608		(47,084)
Accounts payable		1,652,675		-
Medical claims payable		(305,684)		(507,990)
Accrued liabilities		-		(13,383)
Accrued payroll and related taxes		12,386		-
Compensated absences		(22,099)		-
Workers' compensation reserve payable		(2,706)		-
Total adjustments		(5,382,621)		(667,078)
Net cash provided by (used in) operating activities	\$	(7,964,541)	\$	-

**Schedule of Non-cash Capital and Related Financing Activities:**

Donated capital equipment	\$	5,133	\$	-
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The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2021

	Pension Trust	Custodial Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 6,098,695	\$ 6,525,438
Investments:		
U.S. governmental obligations	38,938,274	2,100,392
Corporate debt obligations	40,034,432	-
Other fixed income	1,970,130	-
Mutual funds - fixed income	89,332,732	-
Mutual funds - equity	130,696,310	-
Property trusts	24,029,054	-
Private equity	24,120,613	-
Exchange traded funds	4,421,770	-
Domestic equities	50,335,519	-
Total investments	403,878,834	2,100,392
Receivables:		
Property taxes receivable	-	10,399,103
Contributions receivable	92,847	-
Interest and other receivables	562,355	-
Total receivables	655,202	10,399,103
<b>Total Assets</b>	<b>\$ 410,632,731</b>	<b>\$ 19,024,933</b>
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 2,505,329
Due to other governmental units	-	10,402,539
<b>Total Liabilities</b>	<b>-</b>	<b>12,907,868</b>
<b>Net Position</b>		
Restricted for:		
Pension benefits	410,632,731	6,117,065
<b>Total Net Pension</b>	<b>\$ 410,632,731</b>	<b>\$ 6,117,065</b>

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Pension Trust	Custodial Funds
<b>Additions:</b>		
Property tax collected for other governments	\$ -	\$ 54,532,212
Realty tax collected for other governments	-	7,431,215
Inheritance tax collected for other governments	-	21,461,038
Fees collected for other governments	-	37,953,817
Investment earnings	-	44,358
Patient income (PRM & ECCM)	-	5,932,098
Inmate account collections	-	1,527,839
Collections for sport	-	736,480
Fees and fines collected	-	1,245,179
Contributions:		
Employee	7,325,075	-
Employer	5,239,511	-
Total contributions	12,564,586	130,864,236
Investment income:		
Net appreciation in fair value of investments	37,607,068	-
Interest and dividends	12,089,910	-
Total investment income	49,696,978	-
Less investment expense	593,579	-
Net investment income	49,103,399	-
Total additions	61,667,985	130,864,236
<b>Deductions:</b>		
Pension benefits and refunds	22,955,538	-
Administrative expense	295,878	-
Property tax collections to other governments	-	54,539,746
Realty tax collections to other governments	-	7,534,968
Inheritance tax collected to other governments	-	21,461,038
Fees collected to other governments	-	35,321,611
Net decrease in fair value of Investments	-	80,387
Sheriff sales (real estate) disbursed	-	1,957,035
Patient expense (PRM & ECCM)	-	6,015,769
Inmate disbursements	-	1,267,190
Support payments	-	723,494
Payments to other entities	-	1,191,401
Total deductions	23,251,416	130,092,639
<b>Change in Net Position</b>	38,416,569	771,597
Net Position, Beginning of year	372,216,162	5,345,468
Net Position, End of year	\$ 410,632,731	\$ 6,117,065

The accompanying notes are an integral part of the financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Erie, Pennsylvania operates under a Home Rule Charter which became effective January 1, 1978. The County operates under a Council – Executive form of government. There are nine offices elected county-wide, which are: county council, county executive, county controller, district attorney, sheriff, coroner, clerk of records, common pleas judges and magisterial district judges. The seven-member board of County Council (County) is the legislative body of the County. The daily operations of the County are the responsibility of the County Executive.

Services provided by the County and accounted for within these financial statements include courts and corrections, health and social services, library, public safety, planning, economic development, and general governmental services.

The accompanying financial statements presents the County (the primary government) and its component units, entities for which the primary government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government.

Blended Component Units

Erie County Care Management, Inc. (Corporation) is governed by a Board of Directors appointed by the County Executive with the advice and consent of Council. All agreements and budgets are to be approved by the primary government. Legal liability for the Corporation's debt remains with the primary government. The Corporation provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. The Corporation is reported as a non-major Special Revenue Fund. Complete financial statements can be obtained from the administrative office at 1601 Sassafra Street, Erie, PA 16502.

Pleasant Ridge Manor (PRM) is organized to provide public health and nursing care to indigent persons almost exclusively within the County. PRM is governed by a Board of Trustees comprised of the primary government's elected Council. Under the terms of the statement of agreement dated April 15, 1980 between the County and PRM, the County has full and entire right of control of the financial affairs of PRM and thus a financial benefit or burden relationship exists. PRM is reported as an enterprise fund.

Discretely Presented Component Units

The Erie County Gaming Revenue Authority (Authority) was created by County government to administer the restricted gaming revenue in accordance with state statute. The County must use an economic development authority to administer the restricted gaming funds. The Authority members are appointed by the Council and receive and review applications for the restricted gaming funds. The Authority receives all of its operating revenue from the County. The Authority operates on a fiscal year ending March 31. The Authority's financial statements for the year ended March 31, 2021 are included in this report. Complete financial statements of the Authority can be obtained from Erie County Gaming Revenue Authority, 5240 Knowledge Parkway, Suite A, Erie, Pennsylvania, 16510.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Discretely Presented Component Units (Continued)

The Erie County Land Bank (Land Bank) was created by County government on June 7, 2018 to acquire, hold, and transfer interest in real property throughout the County. The County awards a portion of its restricted gaming funds to the Land Bank. The Land Bank's Board of Directors are appointed by County Council and the County Executive. The Land Bank receives all of its operating revenue from the County. The Land Bank operates on a fiscal year ending December 31. The Land Bank's financial statements for the period January 1, 2021 to December 31, 2021 are included in this report. Complete financial statements of the Land Bank can be obtained from the Erie County Department of Planning & Community Development, 150 East Front Street, Suite 300, Erie, Pennsylvania 16507.

The Erie County Community College (College) was established by the Pennsylvania State Board of Education on July 8, 2020 pursuant to the Community College Act of 1963. The County Council are local sponsors of the College and are responsible for reviewing the College's operating and capital budgets and for approving any debt issued on behalf of the College. Primary revenue sources for the College are student tuition and fees and county and state appropriations. The College operates on a fiscal year ending June 30. The college's financial statements for the period July 1, 2020 through June 30, 2021 are included in this report. Complete financial statements of the College can be obtained from the College at 900 State Street, Suite 308, Erie, PA 16501.

Fiduciary Component Units

The Erie County Employees' Pension Plan ("Plan") was established to provide retirement, disability, and death benefits to eligible retirees of the County. The Plan is included in the financial reporting entity as a fiduciary fund because the Plan is (1) considered to be a separate legal entity, (2) the County appoints a voting majority of the governing board, and (3) the plan imposes a financial burden on the County as it is legally obligated or has assumed an obligation to make contributions to the Plan.

The Pleasant Ridge Manor Pension Plan ("Plan") was established to provide retirement, disability, and death benefits to eligible retirees of PRM. The Plan is included in the financial reporting entity as a fiduciary fund because the Plan is (1) considered to be a separate legal entity, (2) PRM appoints a voting majority of the governing board, and (3) the plan imposes a financial burden on PRM as it is legally obligated or has assumed an obligation to make contributions to the Plan.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (CONTINUED)

Related Organizations

The Board of Council is also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations generally does not extend beyond making the appointments. These organizations include:

- Erie County Housing Authority
- Erie County Redevelopment Authority
- Erie County Industrial Development Authority
- Erie County Hospital Authority
- Erie County Metropolitan Transit Authority
- Erie County General Authority
- Convention Center Authority
- Erie County Conservation District Authority

Government-wide Financial Statements

Government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

Basis of Presentation – Government-wide Financial Statements

Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those designated for specific purposes, and other internally designated resources are reported as general revenues rather than as program revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has two discretely presented component units. While the Authority, Land Bank, and Community College are not considered to be major component units, they are nevertheless shown in separate columns in the government-wide financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Basis of Presentation – Government-wide Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, federal and state grants, and fees for services. Many of the basic activities of the County are accounted for in this fund, including operation of general County government, the courts systems, and corrections.

Mental Health/Intellectual Disabilities Fund

This fund administers local agency providers of mental health and intellectual disabilities services. The fund also administers various programs for transportation, adult services, and in-home health. The primary source of revenue for this fund is federal and state grants which are restricted for this respective program.

Health Choices Fund

This fund accounts for the medical assistance funding for mental health, drug and alcohol and children services programs. The primary source of revenue for this fund is state grants which are restricted for Health Choices programs.

Children and Youth Fund

This fund accounts for the child protective services and a juvenile detention center. The primary source of revenue for this fund is federal and state grants which are restricted for Children and Youth service programs.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Gaming Fund

This fund is provided by revenue received from the operation of Presque Isle Downs and Casino. \$1 million of the funds received are appropriated for the operation of the Land Bank. Of the remaining funds, 55% of the funds received support regional assets. The remaining 45% is restricted to operating and capital projects for contiguous municipalities that result from the operation of the casino. The County remits all restricted gaming funds to the Authority and Land Bank as soon as they are collected. The Authority and Land Bank allocate these funds based upon their distribution plan.

ARPA Fund

This fund accounts for receipts and expenditures related to the American Rescue Plan Act.

Capital Projects Fund

This fund accounts for capital improvements which are financed from general obligation bond issues and other specified receipts.

The government reports the following major enterprise fund:

Pleasant Ridge Manor

This fund accounts for operations of the Erie County Nursing Home, and is financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and cost reimbursement plans.

Additionally, the government reports the following unit types:

Internal Service Fund

This fund accounts for finance services and commodities furnished exclusively to user offices, departments, and other funds of the County on a cost reimbursement basis. The principal service provided includes a self-insurance program for health, prescription drug, and dental coverage. Operating revenues are from employer and employee premiums and operating expenses include benefit claims expense. All other revenues and expenses are recorded as non-operating. The Internal Service Fund (after elimination) is included in governmental activities for government-wide reporting purposes.

Pension Trust Funds

Includes the County Pension Trust, which accounts for the activities of the Erie County Employees' Retirement System and the Pleasant Ridge Manor Pension Trust, which accounts for the activities of the Pleasant Ridge Manor Employees' Pension Plan, both of which accumulate resources for pension benefit payments to qualified employees.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (CONTINUED)

Custodial Funds

The custodial funds include assets held by the County in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong. The County is responsible to ensure the assets reported in these funds are used for their intended purposes. Fiduciary funds are not included in the government-wide statements. The custodial funds account for the following activities:

- Collection of delinquent real estate taxes as well as disbursing the money to the appropriate taxing authority.
- Proceeds from various licenses.
- Prison services account for inmate, commissary, and work release activities.
- Magisterial District Judges receive cash from defendants and disburse to appropriate agencies.
- Clerk of Records accounts for fees associated with recording of deeds, prothonotary fees, cash bail, and registering of wills.
- Sheriff's office collects proceeds of real estate sales and various fines.
- Funds held for clients and residents.

During the course of operations, the government has activity between the funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated, so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated, so that the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated, so that only the net amount is included as transfers in governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated, so that the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The financial statements of the County are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting financial reporting principles.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources management focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and OPEB and pension claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing resources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred when all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and pension trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Proprietary funds distinguish operating revenues and expenses from *nonoperating* items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of PRM and the Internal Service Fund are charges to customers for services provided. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Custodial funds are reported using the *economic resources measurement focus* and utilize the *accrual basis of accounting* for reporting their assets and liabilities.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Budgets and Budgetary Accounting

The budget is adopted on a basis consistent with GAAP. The County adopts budgets for all governmental funds. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before October 1, the County Executive submits proposed budgets to the Council.
2. The Council hold public hearings on the proposed budgets, commencing not earlier than thirty days following receipt of the proposed budget.
3. Public hearings are conducted on the proposed budget. The proposed budget is available for public inspection for 20 days prior to final adoption.
4. On or before December 1, the budgets are adopted by the Council.

The appropriate budget is prepared by fund, function and department. The legal level of budgetary control for the County is the department level. While the department heads can transfer up to ten percent of their budget between line items without Council approval, the ten percent transfer is processed for presentation purposes only as a management tool. A department head has violated the budgetary procedures only if the department total exceeds the budget. For budget reporting purposes, each individual Special Revenue Fund is considered to be a department.

Unexpended budget appropriations expire at year-end and do not carry forward to future periods.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Designated Cash

Designated cash represents cash set aside for liquidation of specific obligations as detailed in Note 2.

Investments

Investments are stated at fair value in all funds. Investments that do not have an established market value are reported at estimated fair value. Accordingly, the change in fair values of investments is recognized as an increase or decrease to investment assets and investment income. The County has one investment reported at cost; see further discussion related to such investment in Note 2.

Fair Value Measurements

The County categorizes its investments within the fair value hierarchy by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than purchased.

Inventories

Inventories are valued at cost using the first-in, first-out method (FIFO). The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Advance to Redevelopment Authority

In 2002, the County advanced the Erie County Redevelopment Authority (RDA) \$8 million to establish and operate a revolving loan fund to benefit the local business community (primarily manufacturing) in an effort to create, retain, and grow employment opportunities for the citizens of the County. Such funds are due back to the County upon dissolution of the RDA.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable government or business-type activities column in the government-wide and proprietary fund financial statements. The infrastructure assets located within the County are owned and maintained by various local municipalities that are located within the County. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at acquisition value at the date of donation. Capital assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects as constructed.

The capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Improvements	15 Years
Buildings and improvements	30 Years
Machinery and equipment	5-10 Years
Motor vehicles	5 Years

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets and/or fund balances that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditure) until then. The County has the following items that qualify for reporting in this category:

Certain amounts determined in connection with pension and OPEB accounting requirements are reported as deferred outflows of resources on the government-wide financial statements and the proprietary fund statement of net position. These amounts are determined based on actuarial valuations performed for the plans. Note 6 presents additional information about the pension plans. Note 8 presents additional information about the OPEB plans.

In addition to liabilities, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets and/or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has the following items that qualify for reporting in this category:

Unavailable revenue is reported only on the balance sheet and represents property taxes which will not be collected within the available period. This amount will be recognized as an inflow of resources in the period the amounts become available.

Certain amounts determined in connection with pension and OPEB accounting requirements are reported as deferred inflows of resources on the government-wide financial statements and the proprietary fund statement of net position. These amounts are determined based on actuarial valuations performed for the plans. Note 6 presents additional information about the pension plans. Note 8 presents additional information about the OPEB plans.

Interfund Transactions

Interfund services provided and used are accounted for as revenues or expenditures/expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund as reductions of expenditures/expense in the fund that is reimbursed. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (CONTINUED)

Compensated Absences

All full-time employees accumulate one and one-fourth days of sick leave for each month of service. Sick leave may accumulate indefinitely. At retirement employees shall be compensated as follows:

	Unused Sick Days at Retirement	Percentage of Sick Days Bought Back
PSSU - Office of Children and Youth supervisors	0-100	14%
	101-200	15%
	201 and above	16%
ECAPE Union, County Detectives, and PSSU - Prison Workers (at retirement or at termination)	1-90	15%
	91-190	20%
	191 and above	25%

\*AFSCME and Non-bargaining employee's voluntary retirement require 20 or more years of continuous service to be paid for accumulated unused sick days.

Sick days for non-bargaining employees involuntary terminated without cause are paid at the rate of one day for every four days.

PSSU – Office of Children and Youth Case Workers

1. Sick days will be paid at the rate of one day for every eight sick days.

All full-time employees are credited for vacation time starting from their date of hire and earn annual vacation credits for each month in which they are in compensatory status of ten or more working days. Any employee who is laid off, discharged, retired or otherwise separated from employment is compensated in cash for any unused vacation days earned since the beginning of the year. On an annual basis, full-time employees are eligible to exchange up to one-half of their vacation days for a cash payment.

All sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirement. All vacation pay is accrued when incurred in the governmental funds as it is considered measurable and is used during the following year.

PRM accrues vested vacation pay as it is earned. Vacation days will be taken only after they are accrued. Non-bargaining employees may not accumulate in excess of 120 hours as of June 30<sup>th</sup> unless approved by the Executive Director. Union employees may not accumulate in excess of 80 hours as of December 31.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Long-Term Obligations (Continued)

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued, as well as any premiums, are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Unearned Revenues

Unearned revenues are reported in government-wide financial statements and fund financial statements. The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues represent grant monies received but not yet earned.

Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of constraint placed upon the funds. These levels are as follows:

Non-spendable – This category represents funds that are not spendable form and includes such items as prepaid expenditures.

Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. The County's restricted fund balances consist of external enabling legislation for the federal, state, or local government grants and debt agreements.

Committed – This category consists of amounts used for specific purposes imposed by formal action of the County's highest level of decision-making authority (the Council). The removal or modification of the use of committed funds can only be accomplished by formal action by the Council with the adoption of an ordinance prior to fiscal year-end.

Assigned – This category consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted nor committed. The County's policy is for the Director of Finance to assign amounts to be used for specific purposes before issuance of audited financial statements. After such fund assignment, the Finance Department will provide the Council with a full reporting of its actions within thirty days.

Unassigned – This category includes the residual classification for the County's General Fund and includes all spendable amounts not contained in other classifications. The General Fund is the only fund that reports a positive unassigned balance.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Net Position

Accounting standards require the classification of net position into these components – net investment in capital assets; restricted; and unrestricted. These classifications are defined below:

- Net Investment in Capital Assets – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.
- Restricted Net Position – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the assets result from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets.
- Unrestricted Net Position – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts may differ from those estimates.

Adopted Pronouncements

The requirements of the following GASB Statements were adopted for the County's 2021 financial statements.

The County adopted the requirements of GASB Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*". The adoption of this statement had no effect on previously reported amounts.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Adopted Pronouncements (Continued)

The County adopted the requirements of GASB Statement No. 98, "*The Annual Comprehensive Financial Report*". The adoption of this statement had no effect on previously reported amounts.

Pending Pronouncements

In June 2017, the GASB issued Statement No. 87, "*Leases*". The County is required to adopt Statement No. 87 for its fiscal year 2022 financial statements.

In May 2019, the GASB issued Statement No. 91, "*Conduit Debt Obligations*". The County is required to adopt Statement No. 91 for its fiscal year 2022 financial statements.

In January 2020, the GASB issued Statement No. 92, "*Omnibus 2020*". The County is required to adopt Statement No. 92 for its fiscal year 2022 financial statements.

In March 2020, the GASB issued Statement No. 93, "*Replacement of Interbank Offered Rates*". The County is required to adopt Statement No. 93 for its fiscal year 2022 financial statements.

In March 2020, the GASB issued Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*". The County is required to adopt Statement No. 94 for its 2023 financial statements.

In May 2020, the GASB issued statement No. 96 "Subscription-Based Information Technology Arrangements". The County is required to adopt Statement No. 96 for its fiscal year 2023 financial statements.

In June 2020, the GASB issued statement No. 97 "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". The County was required to adopt paragraphs 4 and 5 of this Statement for their fiscal year 2020 financial statements. The County is required to adopt all other paragraphs for its fiscal year 2022 financial statements.

In April 2022, the GASB issued Statement No. 99, "*Omnibus 2022*". The County is required to adopt certain requirements of this statement for its fiscal year 2023 financial statements, and other requirements for its fiscal year 2024 financial statements.

In June 2022, the GASB issued Statement No. 100, "*Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*". The County is required to adopt Statement No. 100 for its fiscal year 2024 financial statements.

In June 2022, the GASB issued Statement No. 101, "*Compensated Absences*". The County is required to adopt Statement No, 101 for its fiscal year 2024 financial statements.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (CONTINUED)

Discretely Presented Component Unit – Erie County Gaming Revenue Authority (Authority)

A. Reporting Entity

The Authority was established in February 2008. The Authority was formed pursuant to the provisions of the Economic Development Financing Law, the Pennsylvania Race Horse Development and Gaming Act, and the Home Rule Charter of the County. The purpose of the Authority is to administer municipal grants and otherwise perform the functions of the County's Economic Development Authority.

The Authority's Board consists of nine Board members. Two of the members are ex-officio, non-voting members, namely, the Chairman of the County Council, the County Executive and one resident from each of the seven districts within Erie County who shall be appointed by the County Executive with the consent of Council.

The Authority is dependent on gaming revenues generated from the Presque Isle Downs and Casino. These revenues are passed on to the Authority as restricted funds for economic development and municipal grants.

B. Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. The Authority is considered a special purpose government operating a single government program.

Discretely Presented Component Unit – Erie County Land Bank (Land Bank)

A. Reporting Entity

The Land Bank was formed on June 7, 2018. The purpose of the Land Bank is to acquire, hold, and transfer interest in real property throughout Erie County as approved by the Board of Directors for the following purposes: to deter the spread of blight; to promote redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; to support targeted efforts to stabilize neighborhoods; to stimulate residential, commercial, and industrial development; all in ways that are consistent with goals and priorities established by Ordinance.

The Land Bank is dependent on gaming revenues generated from the Presque Isle Downs and Casino. These revenues are passed on to the Land Bank as restricted funds for economic development and municipal grants.

B. Basis of Accounting

All activities of the Land Bank are accounted for within a single fund. The Land Bank uses the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements present net increases and decreases in current assets (i.e. revenues and other financing sources and expenditures and other financial uses).

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Discretely Presented Component Unit – Erie County Community College (College)

A. Reporting Entity

Erie County Community College of Pennsylvania (College), established in 2020, offers associates degrees and technical skills certificate programs that provide education and training at an affordable price to residents of the County of Erie (County) and the surrounding area for available and emerging jobs that do not require a baccalaureate degree. In addition, the College provides the education many students need to succeed in a four-year program, as well as an affordable option for the first two years of college for those seeking a bachelor's degree. The College is a component unit in the governmental reporting entity of the County. The College is a legally separate organization for which the nature and significance of the relationship with the County is such that exclusion from the audited financials of the County would cause the financials of the County to be misleading or incomplete.

The College is operated by a nine-member Board of Trustees (Board), who are appointed by the County Council of the County. Board members can be reappointed to six-year terms and are limited to serving no more than two successive terms including any initially appointed term. The Board has decision-making responsibility to significantly influence operations and primary accountability for fiscal matters. The County also appropriates and disburses funds to the College that are utilized in the operation of the College.

Classes are offered at four locations across Erie, Pennsylvania. Primary revenue sources for the year ended June 30, 2021 are County and state appropriations. State appropriations are to fund allowable operating and capital costs based upon formulas set by the Pennsylvania Department of Education. The County, as local sponsor of the College, contributes to the operating and capital costs of the College. The College enrolled students for the inaugural class in July 2021. As a result, there were no student tuition and fees collected during the year ended June 30, 2021.

B. Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. The College is considered a special purpose government engaged in business-type activities.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes allow pooling of governmental funds for investment purposes.

Deposits

As of December 31, 2021, the County's deposits, excluding the pension trust fund, custodial funds, and discretely presented component units, are as follows:

<u>Primary Government</u>	<u>Bank</u>	<u>Book</u>
Governmental activities:		
Unrestricted cash:		
Cash and cash equivalents	\$119,053,106	\$ 117,986,223
Business-type activities:		
Unrestricted cash:		
Cash and cash equivalents	4,062,468	3,920,946
Designated cash	1,599,247	1,596,296
Total business-type activities	5,661,715	5,517,242
Total primary government	<u>\$ 124,714,821</u>	<u>\$ 123,503,465</u>

Included in the governmental activities unrestricted cash is the County's investment in PA INVEST, an external investment pool, with a total deposit of \$11,388,310 as of December 31, 2021. The County's investment in PA INVEST is the same as the value of pool shares and is reported at amortized cost, which approximates market. All investments in an external investment pool that are not SEC-registered are subject to oversight by the Commonwealth. The County can withdraw funds from PA INVEST without limitations or fees.

*Custodial Credit Risk* – For a deposit, custodial risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2021, \$750,000 of the County's bank balance was insured by the Federal Deposit Insurance Corporation (FDIC). Of the remaining bank balance, \$93,977,535 is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by approved custodian in the institution's name, and the remaining balance is uncollateralized and uninsured. These deposits have carrying amounts of \$123,503,465 as of December 31, 2021.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

As of December 31, 2021, the County had the following investments:

Investment Type	Investment Maturities (in Years)				
	Book Value	Less than 1	1-5	6-10	More than 10
<u>Governmental activities</u>					
Debt Securities:					
U.S. Treasury Notes	\$ 595,124	\$ 100,933	\$ 494,191	\$ -	\$ -
Municipal bonds	101,966	101,966	-	-	-
Certificates of deposit	2,087,280	355,977	1,731,303	-	-
Total debt securities	2,784,370	558,876	2,225,494	-	-
Cash and cash equivalents	73,814				
Alternatives	48,937				
Equities	937,470				
Mutual funds - fixed income	87,683				
RCPSO stock	50,000				
Total	<u>\$ 3,982,274</u>				
<u>Business-type activities</u>					
U.S Treasury Notes	\$ 437,336	\$ -	\$ 437,336	\$ -	\$ -
Money markets	22,839				
	<u>\$ 460,175</u>				

U.S. Treasury Notes and municipal bonds with maturities of less than one year are valued using quoted market prices (level 1). U.S. Treasury Notes and municipal bonds with maturities of greater than one year are valued at fair value using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and relevance data) (Level 2). The County's investments in money markets and certificates of deposit are reported at amortized cost, which approximates market. The County's other investments are reported at cost and do not meet the criteria for reporting at fair value measurements within the fair value hierarchy established by GAAP.

Erie County Care Management, Inc. (Corporation) holds an investment in Class A voting common stock and Class B non-voting common stock of Rehabilitation and Community Providers Services Organization, Inc. (RCPSO), a private Pennsylvania business corporation. The Corporation's valuation in RCPSO as of December 31, 2021 is based on the Corporation's cost to purchase the investment totaling \$50,000 and is reported as other investments.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Risks

The following is a description of the County's investment risks:

*Custodial Credit Risks* – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the County will not be able to recover the value of their deposits or investments or collateral securities that are in the possession of an outside entity. The County does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2021, the County's entire investment balance of \$4,442,449 (bank and book balance) was exposed to custodial credit risk. All of the County's investments, except those reported as other investments, were uninsured and held by the counterparty. The counterparty is a member of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage for up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing the County cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

*Concentration of Credit Risk* – The County's investment policy for pooled and self-insurance funds is to invest in U.S. Government Federal agency securities for which there is no limit to the investment amount.

*Interest Rate Risk* – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to invest funds to meet its projected cash flow requirements. Investments of the General Fund, Special Revenue Funds, and the Self-Insurance Internal Service Fund are made at the discretion of the County finance department as long as such investments are made at financial institutions approved by the County finance department and are fully collateralized by securities with a fair value equal to or exceeding the cost of the investment. Investments must be made in accordance with the Commonwealth of Pennsylvania's Act 72 and the financial institution must be on the County finance department's approval list.

*Credit Risk* – The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk.

As of December 31, 2021, the County's investments in debt securities have received the following ratings from Standard & Poor's:

<u>Standard &amp; Poor's Rating</u>	<u>Percentage of Total County Debt Securities</u>
AAA	85.40%
AA	14.60%
	<u>100.00%</u>

Custodial Funds

The County maintains bank accounts for the elected row officers and other County offices that, at times, may exceed federally insured limits. However, such funds in excess of federally insured limits are collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. The balance of these accounts is reflected in the statement of fiduciary net position.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Funds (Continued)

As of December 31, 2021, the County had the following investments and maturities within the custodial funds:

Investment Type	Fair Value	Investment Maturities from December 31, 2021		
		Less than 1 year	1-5 years	6-10 years
U.S. Government Securities	\$ 2,100,392	\$ 402,020	\$ 1,119,135	\$ 579,237

The carrying value of the County's custodial fund investments is the same as their fair value amount. U.S. Government Securities within maturities of less than one year, mutual funds, and exchange traded funds are valued using quoted market prices (Level 1). U.S. Government Securities with maturities of greater than one year are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and date (such as broker quotes, yields, bids, and reference data (Level 2).

County Employees' Pension Trust Fund

The County Employees' Pension Trust Fund investments are held separately from those of other County funds. The County's retirement Plan Investment Policy (Retirement Investment Policy) states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due. Fixed income investment allocation is targeted to 40% (with an allowable range of +/- 7%) of the portfolio. The investments may be adjusted to meet economic and/or investment market conditions.

As of December 31, 2021, the County had the following cash, cash equivalents, and investments in its Pension Trust Fund:

Cash or Investment Type	Book Value	Investments Maturities from December 31, 2021			
		Less than 1 year	1-5 years	6-10 years	More than 10 years
U.S. Government Securities	\$ 32,083,960	\$ -	\$ 20,733,580	\$ 7,598,825	\$ 3,751,555
Corporate debt obligations	26,461,088	303,674	12,975,871	12,072,886	1,108,657
Other fixed income	1,970,130	-	-	-	-
Total debt securities	\$ 60,515,178	\$ 303,674	\$ 33,709,451	\$ 19,671,711	\$ 4,860,212
Cash and cash equivalents	4,568,861				
Mutual funds - fixed income	33,584,766				
Mutual funds - equity	130,696,310				
Property trusts	24,029,054				
Private equity	24,120,613				
Exchange traded funds	4,421,770				
Domestic equities	50,335,519				
Total other investments	271,756,893				
<b>Total Pension Trust Funds cash, cash equivalents, and investments reported on statement of fiduciary net position</b>	<b>\$ 332,272,071</b>				

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

County Employees' Pension Trust Fund (Continued)

The Pension Trust Fund categorizes its investments within the fair value hierarchy established by generally accepted accounting principles. The Pension Trust Fund had the following recurring fair value measurements as of December 31, 2021:

Investments	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Debt securities:				
U.S. Government Securities	\$ 32,083,960	\$ 32,083,960	\$ -	\$ -
Corporate debt obligations	26,461,088	26,191,743	269,345	-
Other fixed income	1,970,130	-	1,970,130	-
Total Debt Securities	60,515,178	58,275,703	2,239,475	-
Mutual funds - fixed income	33,584,766	33,584,766	-	-
Mutual funds - equity	130,696,310	130,696,310	-	-
Property trusts	12,298,136	-	-	12,298,136
Private equity	24,120,613	-	-	24,120,613
Exchange traded funds	4,421,770	4,421,770	-	-
Domestic Equities	50,335,519	50,335,519	-	-
Total Investments by Fair Value Level	315,972,292	\$ 277,314,068	\$ 2,239,475	\$ 36,418,749
Investments Measured at NAV:				
Property trust	11,730,918			
Total investments	\$ 327,703,210			

Debt securities, mutual funds, exchange traded funds, and common stock classified in Level 1 are valued using quoted prices in active markets for those securities. Debt securities classified in Level 2 are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and reference data).

Level 3 investments include the following:

- Property trusts classified in Level 3 are valued based upon the County's share of the trust assets held. The underlying assets of the property trust are primarily invested in institutional quality real estate assets in major metropolitan markets across the United States. The property trust valuations of real estate are determined by the property trust trustee and given consideration to the income, cost, and sales comparison approaches of estimating property value.
- Private equity classified in Level 3 are valued based upon observations of the trading multiples of public companies considered comparable to the private companies being valued. Valuations are adjusted, as necessary, to account for company-specific issues, the lack of liquidity inherent in a nonpublic investment, and the fact that comparable public companies are not identical to the companies being valued, including the absence of a committed buyer and completion of due diligence similar to that performed in an actual negotiated sale process. In addition, a variety of other factors are review, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook, and third-party financing environment.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

County Employees' Pension Trust Fund (Continued)

The Pension Trust Fund's investment in money markets (cash and cash equivalents) of \$6,098,695 is reported at amortized cost, which approximates market value.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) under the so-called "practical expedient" is presented in the following table:

<u>Instrument</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Property trust (1)	\$11,730,918	\$ -	Quarterly	60 days

- (1) *Property trust.* This investment type includes the Boyd Watterson GSA Fund, L.P. (Fund), a Delaware limited partnership that purchases real estate assets that are primarily leased to Federal Agencies. The investment strategy of the Fund is to generate a stable stream of investment grade current income while also preserving wealth using risk parameters and portfolio management strategies established by the General Partner. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Pension Trust Fund's ownership interest in partners' capital. The Fund shall distribute distributable cash (cash flow from operations and net proceeds from the sale or refinancing of an investment that the General Partner determines are available for distribution) to the partners quarterly. All distributions of distributable cash shall be distributed to the partners on a pro rata basis in proportion to the number of units held by them. Partial redemptions of the Fund are permitted in increments of \$250,000.

The preceding methods described may produce a fair value calculation that may not be indicative of net realized value or reflective of the future fair values. Furthermore, although the Pension Trust Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following is a description of the County Employees' Pension Trust Fund's deposit and investment risks:

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Pension Trust Fund will not be able to recover the value of its deposits or investments or collateral securities that are in the possession of an outside party. The Pension Trust Fund does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2021, the County's entire pension cash, cash equivalents, and investment balance of \$332,272,071 (bank and book balance) was exposed to custodial credit risk. All of the County's Pension Trust investments were uninsured and held by the counterparty. The counterparty is a member of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing the County cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

County Employees' Pension Trust Fund (Continued)

*Interest Rate Risk* – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to invest funds to achieve a positive rate of return over the long term, sufficient to meet the Plan's actuarial interest rate and provide for the payment of benefit obligations and expenses in perpetuity in a secure and prudent fashion. In addition, the County's investment policy states that, for fixed income, the duration of the portfolio should be maintained at 65% to 140% of the index duration.

*Credit Risk* – The risk that an issuer or other counterparty to an investment will not fulfill its obligation is called credit risk. The County's Retirement investment policy average credit quality of fixed income portfolio must maintain a rating of AA- or better. Generally, the fixed income assets held by the Plan must be rated investment grade or better by Moody's Standard & Poor's (Baa or BBB).

As of December 31, 2021, the County Employees' Pension Trust Fund's investments in debt securities have received the following ratings from Moody's:

<u>Moody's Rating</u>	<u>Percentage of Total Pension Trust Fund Debt Securities</u>
Aaa	45.05%
Aa1	0.79%
Aa3	0.23%
A1	1.38%
Other	52.55%
	<u>100.00%</u>

*Concentration of Credit Risk* – The County's Retirement Investment Policy limits fixed income assets in any one issuer, other than those in U.S. government guaranteed obligations and fully backed Federal Agency obligations, to no more than 5% of the total fixed income assets of the entire plan. The policy also states that no more than 5% of the total equity holdings of the entire plan shall be invested in the securities of any one domestic equity issuer and no more than 10% of the total foreign equity holdings of the entire plan shall be invested in the securities of any one issuer. No violations of these limits were noted.

Pleasant Ridge Manor Pension Trust Fund

The Pleasant Ridge Manor Pension Trust Fund investments are held separately from those of other County funds. The Pleasant Ridge Manor's retirement Plan Investment Policy (Retirement Investment Policy) states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due. Fixed income investment allocation is targeted at 40% (with an allowable range of +/- 10%) of the portfolio. The investments may be adjusted to meet economic and/or investment market conditions.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Pleasant Ridge Manor Pension Trust Fund (Continued)

As of December 31, 2021, Pleasant Ridge Manor had the following cash, cash equivalents, and investments in its Pension Trust Fund:

Investment Type	Book Value	Investments Maturities from December 31, 2021			
		Less than 1 year	1-5 years	6-10 years	More than 10 years
U.S. Government Securities	\$ 6,854,314	\$ 1,474,538	\$ 2,829,011	\$ 2,550,765	\$ -
Corporate bonds	13,573,344	657,696	7,118,529	5,797,119	-
Total debt securities	\$ 20,427,658	\$ 2,132,234	\$ 9,947,540	\$ 8,347,884	\$ -
Cash and cash equivalents	1,529,834				
Mutual funds	55,747,966				
<b>Total Pension Trust Funds cash, cash equivalents, and investments reported on statement of fiduciary net position</b>	<b>\$ 77,705,458</b>				

The Pleasant Ridge Manor Pension Trust Fund categorizes its investments within the fair value hierarchy established by generally accepted accounting principles. The Pension Trust Fund had the following recurring fair value measurements as of December 31, 2021:

Investments	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
U.S. Government Securities	\$ 6,854,314	\$ 6,854,314	\$ -	\$ -
Corporate debt obligations	13,573,344	39,765,087	269,345	-
Mutual funds	55,747,966	-	55,747,966	-
Total investments	\$ 76,175,624	\$ 46,619,401	\$ 56,017,311	\$ -

Debt securities, mutual funds, exchange traded funds, and common stock classified in Level 1 are valued using quoted prices in active markets for those securities. Debt securities classified in Level 2 are valued using various techniques, which may consider the reported sales of similar securities, market price quotations, and data (such as broker quotes, yields, bids, and reference data). Level 3 inputs are significant unobservable inputs.

The Pleasant Ridge Manor Pension Trust Fund's investment in money markets (cash and cash equivalents) of \$1,529,834 is reported at amortized cost, which approximates market value.

The following is a description of the Pleasant Ridge Manor Pension Trust Fund's deposit and investment risks:

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Pleasant Ridge Manor Pension Trust Fund (Continued)

**Custodial Credit Risk** – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the PRM Pension Trust Fund will not be able to recover the value of its deposits or investments or collateral securities that are in the possession of an outside party. The PRM Pension Trust Fund does not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2021, PRM's entire pension cash, cash equivalents, and investment balance of \$77,705,458 (bank and book balance) was exposed to custodial credit risk. All of PRM Plan's Pension Trust investments were uninsured and held by the counterparty. The counterparty is a member of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing PRM Pension Plan cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

**Interest Rate Risk** – As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to invest funds to achieve a positive rate of return over the long term, sufficient to meet the Plan's actuarial interest rate and provide for the payment of benefit obligations and expenses in perpetuity in a secure and prudent fashion. In addition, the County's investment policy states that, for fixed income, the duration of the portfolio should be maintained at 65% to 140% of the index duration.

**Credit Risk** – The risk that an issuer or other counterparty to an investment will not fulfill its obligation is called credit risk. The Pleasant Ridge Manor's Retirement investment policy average credit quality of fixed income portfolio must maintain a rating of AA- or better. Generally, the fixed income assets held by the Plan must be rated investment grade or better by Moody's Standard & Poor's (Baa or BBB).

As of December 31, 2021, the Pleasant Ridge Manor Pension Trust Fund's investments in debt securities have received the following ratings from Moody's:

<u>Moody's Rating</u>	<u>Percent of Investment Type</u>
AAA	2%
AA1	1%
AA3	1%
A1	8%
A2	15%
A3	12%
BAA1	9%
BAA2	13%
BAA3	3%
AAA	27%
AAA	9%
	<hr/>
	100%
	<hr/>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

Pleasant Ridge Manor Pension Trust Fund (Continued)

Concentration of Credit Risk – The County's Retirement Investment Policy limits fixed income assets in any one issuer, other than those in U.S. government guaranteed obligations and fully backed Federal Agency obligations, to no more than 5% of the total fixed income assets of the entire plan. The policy also states that no more than 5% of the total equity holdings of the entire plan shall be invested in the securities of any one domestic equity issuer and no more than 10% of the total foreign equity holdings of the entire plan shall be invested in the securities of any one issuer. No violations of these limits were noted.

Erie County Gaming Revenue Authority (Authority) – Component Unit

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk. As of March 31, 2021, \$9,848,605 of the Authority's bank balance of \$10,098,605 was collateralized with securities held by the pledging financial institution and \$250,000 was covered by FDIC insurance. This deposit has a carrying amount of \$10,089,578 as of March 31, 2021.

Erie County Land Bank (Land Bank) – Component Unit

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the Land Bank's deposits may not be returned to it. The Land Bank does not have a policy for custodial credit risk. As of December 31, 2021, \$2,820,858 of the Authority's bank balance of \$3,070,858 was collateralized with securities held by the pledging financial institution and \$250,000 was covered by FDIC insurance. This deposit has a carrying amount of \$3,068,049 as of December 31, 2021.

Erie County Community College (College) – Component Unit

The carrying amount of the College's cash and cash equivalents was \$640,236 as of June 30, 2021. Of these balances, \$349 was covered by the FDIC, and the remaining balances were secured by pledged bank collateral under the pooled collateral agreement described in Pennsylvania Act 72. The College does not carry any bank balance over and above the insured and secured amounts.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 3: RECEIVABLES

Receivables as of December 31, 2021 for the government's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Mental Health/ Intellectual Disabilities	Health Choices	Children and Youth
Taxes	\$ 9,620,588	\$ -	\$ -	\$ -
Federal and state grants	-	370,542	12,150,283	22,239,639
Interest and other	2,402,570	7,972,052	6,363	-
Gross receivables	12,023,158	8,342,594	12,156,646	22,239,639
Less: allowance for uncollectibles	(1,697,950)	-	-	-
	<u>\$ 10,325,208</u>	<u>\$ 8,342,594</u>	<u>\$ 12,156,646</u>	<u>\$ 22,239,639</u>
	Gaming	ARPA	Capital Projects	Other Non- Major Funds
Taxes	\$ -	\$ -	\$ -	\$ -
Federal and state grants	-	2,207	-	7,701,807
Interest and other	3,018,406	-	300	1,669,228
Gross receivables	3,018,406	2,207	300	9,371,035
Less: allowance for uncollectibles	-	-	-	-
	<u>\$ 3,018,406</u>	<u>\$ 2,207</u>	<u>\$ 300</u>	<u>\$ 9,371,035</u>
	Total			
Taxes	\$ 9,620,588			
Federal and state grants	42,464,478			
Interest and other	15,068,919			
Gross receivables	67,153,985			
Less: allowance for uncollectibles	(1,697,950)			
	<u>\$ 65,456,035</u>			

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of December 31, 2021, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Deferred Inflows	Unearned
Delinquent property taxes receivable	\$ 4,763,880	\$ -
Grant advances prior to meeting all eligibility requirements	-	25,679,476
	<u>\$ 4,763,880</u>	<u>\$ 25,679,476</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 4: REAL ESTATE TAXES

Property taxes are levied as of January 1 on property values assessed as of the same date. Property taxes are due as of March 1. A two percent discount is allowed if the taxes are paid before May 1 and a ten percent penalty is added to all payments made after June 30. Property is subject to lien and penalties and interest.

Real estate taxes for the calendar year are invoiced on March 1 of each year. Unpaid real estate taxes attach as an enforceable lien on property as of January 1 of the following year. The County bills these taxes which are collected by elected local tax collectors. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on funded debt.

The County's 2021 real estate taxes are based on assessed values established by the County's Bureau of Assessments. Assessed values of real property are generally 100% of the market value as determined by the Erie County Bureau of Assessments. The total March 1, 2021 assessed real estate taxes equaled \$86,323,585 based on a total County valuation of \$14,560,570,064. Based on the 2021 levy of 5.96 mills allocated for general purposes a property owner would pay \$5.96 per \$1,000 of assessed valuation.

NOTE 5: CAPITAL ASSETS

Capital Asset activity for the year ended December 31, 2021 was as follows:

	December 31, 2020	Additions	Deletions	December 31, 2021
Capital assets, not depreciated:				
Land	\$ 1,501,237	\$ -	\$ -	\$ 1,501,237
Total capital assets, not depreciated	1,501,237	-	-	1,501,237
Capital assets, depreciated:				
Buildings and improvements	95,670,502	118,903	-	95,789,405
Vehicles	3,696,771	812,892	(639,404)	3,870,259
Furniture and equipment	28,957,901	319,190	(2,299,840)	26,977,251
Total capital assets, depreciated	128,325,174	1,250,985	(2,939,244)	126,636,915
Less accumulated depreciation:				
Buildings and improvements	(72,527,745)	(2,836,639)	-	(75,364,384)
Vehicles	(2,699,908)	(407,474)	401,044	(2,706,338)
Furniture and equipment	(22,823,788)	(4,367,307)	2,298,148	(24,892,947)
Total accumulated depreciation	(98,051,441)	(7,611,420)	2,699,192	(102,963,669)
Total capital assets, depreciated, net	30,273,733	(6,360,435)	(240,052)	23,673,246
Total capital assets, net	\$ 31,774,970	\$ (6,360,435)	\$ (240,052)	\$ 25,174,483

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 5: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to function/programs of the primary government as follows:

## Government Activities:

General government	\$ 499,781
Courts and related offices	351,257
Corrections	1,196,052
Community service	4,743,959
Public health	117,057
Library	703,314

Total	<u>\$ 7,611,420</u>
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Business-Type Activities – Pleasant Ridge Manor (PRM)

	December 31, 2020	Additions	Deletions	December 31, 2021
Capital assets, not depreciated:				
Land	\$ 150,490	\$ -	\$ -	\$ 150,490
Capital assets, depreciated:				
Land improvements	1,843,780	12,636	-	1,856,416
Buildings and improvements	20,210,135	19,393	-	20,229,528
Furniture and equipment	12,340,184	298,727	(108,859)	12,530,052
Total capital assets, depreciated	34,394,099	330,756	(108,859)	34,615,996
Less accumulated depreciation:				
Land improvements	(763,613)	(119,712)	-	(883,325)
Buildings and improvements	(18,629,569)	(387,591)	-	(19,017,160)
Furniture and equipment	(9,793,216)	(396,951)	108,859	(10,081,308)
Total accumulated depreciation	(29,186,398)	(904,254)	108,859	(29,981,793)
Total capital assets, depreciated, net	5,207,701	(573,498)	-	4,634,203
Total capital assets, net	<u>\$ 5,358,191</u>	<u>\$(573,498)</u>	<u>\$ -</u>	<u>\$ 4,784,693</u>

Depreciation Expense was \$904,254 in 2021 for PRM.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN

Governmental Activities

Summary of Significant Accounting Policies

Financial information of the Erie County Employees Retirement System (Plan) is presented on the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Employer contributions to the Plan are recognized when due as required by applicable law. Investments of the Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. All administrative costs are paid from the Plan assets. The activity of the Plan is reported as the Pension Trust Fund in the accompanying financial statements. Separate plan financial statements are not available.

Plan Description

The Plan is a single-employer, defined-benefit plan. The Plan covers all full-time employees of the County and part time employees exceeding 1,000 hours per year. The Plan is governed by the County's Retirement Board (Board), which consists of five members. Three board members are appointed Council members, plus the Director of Finance, and the County Controller. The authority to establish and amend the benefit provisions of the Plan rests with the Board as designated in the Home Rule Charter and Act 96 of 1971 (Act), the County Pension Law. The Plan does not issue a stand-alone financial report. The financial activity is included as part of the Annual Comprehensive Financial Report of Erie County.

As of December 31, 2021, Plan membership consisted of the following:

Active plan members	1,249
Retirees and beneficiaries currently receiving benefits	898
Terminated plan members entitled to but not yet receiving benefits	<u>188</u>
Total plan members	<u>2,335</u>

Benefits Provided

*Retirement Benefit* – The Plan provides for normal retirement age 60 or at age 55 if the participant has completed 20 years of service. The amount of benefit at retirement shall equal 1.667% of the member's "Final Average Salary" compensation multiplied by years of credited service, plus an annuity based on the actuarial equivalent of the participant's accumulated contributions and credited interest. The "Final Average Salary" is defined as the average of the highest three years of compensation earned by the member.

*Disability Retirement Benefit* – A participant is entitled to a disability benefit after suffering total and permanent disability prior to retirement eligibility and after completion of five years of credited service. The disability benefit is equal to 25% of "Final Average Salary" at the time of retirement. Such disability benefit shall include the benefit that is actuarially equivalent to the member's accumulated contributions at retirement.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Governmental Activities (Continued)

*Death Benefit* – The pre-retirement death benefit is payable if an active member dies after having attained age 60 or having completed ten years of credited service. The beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated based on the member's "Final Average Salary" and credited service at time of death plus the member's accumulated contributions with interest at time of death. The post-retirement death benefit is payable upon the death of a retired member. The beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must, at least, equal the member's accumulated contributions with interest.

Contributions

Plan members are required to contribute 5% of their annual covered salary. The County is required to contribute at an actuarially determined rate. Per the Act, as amended, contribution requirements of the Plan members and the County are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to be finance any unfunded accrued liability. For the year ended December 31, 2021, the Plan had contributions totaling \$11,016,524. This was comprised of member contributions of \$4,461,449 and County contributions of \$6,555,075.

Changes in the Net Pension Liability

The changes in the net pension liability of the County's governmental activities for the year ended December 31, 2021 were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2020	\$ 308,520,131	\$ 301,562,894	\$ 6,957,237
Changes for the year:			
Service cost	7,804,984	-	7,804,984
Interest	22,074,897	-	22,074,897
Differences between expected and actual experience	1,150,489	-	1,150,489
Changes in benefit terms	7,415,564	-	7,415,564
Contributions - employer	-	6,555,075	(6,555,075)
Contributions - employee	-	4,461,449	(4,461,449)
Net investment income	-	39,586,227	(39,586,227)
Benefit payments, including refunds	(19,226,098)	(19,226,098)	-
Administrative expense	-	(246,519)	246,519
Net changes	19,219,836	31,130,134	(11,910,298)
Balances at December 31, 2021	<u>\$ 327,739,967</u>	<u>\$ 332,693,028</u>	<u>\$ (4,953,061)</u>
Plan fiduciary net position as a percentage of the total pension liability			<u>101.51%</u>

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Governmental Activities (Continued)

*Actuarial Assumptions* – The total pension liability was determined by an actuarial valuation performed as of December 31, 2021 using the following assumptions, applied to all periods in the measurement:

Actuarial assumptions:

Investment rate of return	7.25%
Projected salary increases	
2022 and after	3.00%
Underlying inflation rate	
Retirement age assumption	
Age 55	15.00%
Ages 56-59	3.00%
Ages 60-61	10.00%
Ages 62	25.00%
Ages 63-64	15.00%
Turnover table	T - 7
Inflation Rate	2.25%
Asset valuation method	Fair Market Value
Cost-of-living adjustment	None

Mortality rates were based on the RP-2000 Mortality Table for Males and Females, as appropriate, with adjustments to mortality improvements to the valuation date based on Scale AA.

*Changes in Actuarial Assumptions* – There were no changes in assumptions for the year ended December 31, 2021.

*Investment Policy* – The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. The Board has delegated the authority to manage Plan assets to Morrison Fiduciary Advisors, Inc. It is the policy of the Board to pursue an investment strategy that balances growth with the need to preserve the capital through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time-spans.

*Long-term Expected Rate of Return* – The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Governmental Activities (Continued)

The following were the asset allocation policy and best estimate of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2021:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large cap core equity	25.00%	5.75%
Small cap core equity	12.00%	6.50%
International equity	13.00%	7.25%
Fixed income	34.00%	1.00%
Private real estate	6.00%	5.50%
Private equity	6.00%	8.00%
Private debt	4.00%	6.50%
	<u>100.00%</u>	

*Rate of Return* – The money-weighted rate of return express investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2021, the annual money-weighted rate of return for the Plan investments, net of investment expense, was 13.31%.

*Discount Rate* – The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at the actuarially determined contribution rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the Plan calculated using the discount rates described above, as well as what the Plan's net pension liability (assets) would be if was calculated using a discount rate that is one percentage-point lower or one-percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% increase (8.25%)
Plan's net pension liability (asset)	<u>\$24,642,895</u>	<u>\$ (4,953,061)</u>	<u>\$ (30,062,842)</u>

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit

Summary of Significant Accounting Policies

Financial information of the PRM Pension Plan (PRM Plan) is presented on the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the PRM Plan. Employer contributions to the PRM Plan are recognized when due as required by applicable law. Investments of the PRM Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. The pension plan issues a stand-alone financial report. The report can be obtained from the financial department of PRM.

Plan Description

The PRM Plan is a single-employer defined-benefit plan controlled by the provisions of a pension plan and trust agreement most recently adopted by the document restatement effective January 1, 2015. The PRM Plan is governed by the Retirement Committee as appointed by the PRM Board of Trustees which is responsible for the management of plan assets. The Retirement Committee has delegated the authority to manage certain plan assets to PNC Bank and First National Bank, with investment oversight provided by Morrison Fiduciary Advisors.

As of December 31, 2021, PRM Plan membership consisted of the following:

Active employees	181
Active employees with frozen benefits	17
Retirees and beneficiaries currently receiving benefits	304
Terminated employees entitled to but not yet receiving benefits	<u>125</u>
Total plan members	<u><u>627</u></u>

Benefits Provided

*Normal Retirement Benefit* – A participant is entitled to begin receiving retirement benefits on the first of the month coincident with or next following attainment of age 55 with 20 years of Vesting Service or attainment of age 60, if later. The scheduled monthly retirement benefit is equal to 1.25% of the participant's "Final Average Compensation" multiplied by his years of "Credited Service" at his Normal Retirement Date, plus a monthly annuity based on the actuarial equivalent of the member's accumulated contributions with credited interest. The "Final Average Compensation" is defined as the average of the highest three consecutive years of compensation earned by the Participant. "Credited Service" is the number of years that the Participant worked at least 1,000 hours. Partial credit is given for the year in which the Participant joins the Plan as well as the year the Participant terminates employment.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

*Disability Retirement Benefit* – A Participant is entitled to a disability benefit after suffering a Total and Permanent Disability prior to retirement eligibility and after completion of five years of vesting service. Disability Pension is a monthly pension equal to 25% of the 1/12 of Final Average Compensation at the time of retirement. Such total monthly pension shall include the monthly disability that is actuarially equivalent to the member's accumulated contributions at retirement.

*Death Benefit* – The Pre-Retirement Death Benefit is payable if a member dies after having attained age 60 or having completed ten years of credited service. The beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated based on the member's Final Average Compensation and credited service at time of death plus the member's accumulated contributions with interest at time of death. The Post-Retirement Death Benefit is payable upon the death of a terminated or retired member. The beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must at least equal the member's accumulated contributions with interest.

*Cost-of-Living Adjustments* – Benefit terms do not provide for annual cost-of-living adjustments to each member's retirement allowance subsequent to the member's retirement date.

Contributions

Plan members are required to contribute 6% of their annual covered salary. Pleasant Ridge Manor is required to contribute at an actuarially determined rate. The actuarially determined contribution is determined under the minimum funding requirements of ERISA and includes payment for the target normal cost and amortization payments toward the unfunded target liabilities of the Plan. For the year ended December 31, 2021, the Plan had deposits totally \$1,548,062. This was comprised of member contributions of \$778,062 and employer contributions of \$770,000.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)Changes in the Net Pension Liability

The changes in the net pension liability (asset) of PRM for the year ended December 31, 2021 were as follows:

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at December 31, 2020	\$ 65,240,639	\$ 70,653,268	\$ (5,412,629)
Changes for the year:			
Service cost	1,141,799	-	1,141,799
Interest	4,666,269		4,666,269
Differences between expected and actual experience	(2,148,480)		(2,148,480)
Contributions - employer	-	770,000	(770,000)
Contributions - employee	-	778,062	(778,062)
Net investment income		9,517,172	(9,517,172)
Benefit payments, including refunds	(3,729,440)	(3,729,440)	-
Administrative expense	-	(49,359)	49,359
Net changes	(69,852)	7,286,435	(7,356,287)
Balances at December 31, 2021	\$ 65,170,787	\$ 77,939,703	\$ (12,768,916)
Plan fiduciary net position as a percentage of the total pension liability (asset)			119.59%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2021 using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial cost method	Entry Age Normal
Amortization method	Recognition Period
Investment rate of return	7.25%
Salary increases	3.00%
Inflation rate	2.00%
Cost-of-living adjustments	None
Assumed retirement age	30% at age 60; 10% at age 61 20% at age 62; 10% at age 63 5% at age 64; 100% at age 65
Turnover table	T-5

Mortality rates were based on the 2018+ Static Mortality Table for Males and Females with mortality improvement rates, as published by the Internal Revenue Service.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

*Investment Policy* – The PRM's Plan policies in regard to the allocation of invested assets is established and may be amended by the Retirement Committee by a majority vote of its members. It is the policy of the Retirement Committee to pursue an investment strategy that balances growth with the need to preserve capital through the prudent diversification of the portfolio across a broad selection of district asset classes. The PRM Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time-spans.

*Long-Term Expected Rate of Return* – The long-term expected rate of return on PRM Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following were the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the PRM Plan's target asset allocation as of December 31 2021:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap core equity	40.00%	6.00%
Small cap core equity	10.00%	6.25%
International equity	10.00%	6.15%
Fixed income - core	40.00%	1.50%
Fixed income - HY/BL	0.00%	5.00%
Real estate	0.00%	6.50%
	<u>100.00%</u>	

*Rate of Return* – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2021, the annual money-weighted rate of return on the PRM Plan investments, net of investment expense, was 13.69%.

*Concentrations* – There were no individual investments that constituted more than 5% of plan net position as of December 31, 2021.

*Discount Rate* – The discount rate used to measure the total pension liability for the PRM Plan was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate. Based on those assumptions, the PRM Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the PRM Plan calculated using the discount rates described above, as well as what the Plan's net pension liability would be if it was calculated using a discount rate that is one-percentage lower or one-percentage higher than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
PRM Net pension liability (asset)	<u>\$ (7,262,045)</u>	<u>\$ (12,768,916)</u>	<u>\$ (17,454,298)</u>

Net Pension Liability

The components of the County's net pension liability of the pension plans as of December 31, 2021 were as follows:

	<u>Erie County Employees Retirement System</u>	<u>PRM Pension Plan</u>	<u>Total</u>
Total pension liability	\$ 327,739,967	\$ 65,170,787	\$ 392,910,754
Plan fiduciary net position	<u>(332,693,028)</u>	<u>(77,939,703)</u>	<u>(410,632,731)</u>
Net pension liability	<u>\$ (4,953,061)</u>	<u>\$ (12,768,916)</u>	<u>\$ (17,721,977)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>101.51%</u>	<u>119.59%</u>	

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 6: PENSION PLAN (CONTINUED)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2021, the County recognized pension expense (income) of \$7,039,335 and \$(2,872,753) related to its governmental and business-type activities, respectively. As of December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Erie County Employees' Pension Plan	PRM Pension Plan	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 3,134,895	\$ 223,704	\$ 3,358,599
Changes in assumption	1,311,518	-	1,311,518
Total deferred outflows of resources	<u>\$ 4,446,413</u>	<u>\$ 223,704</u>	<u>\$ 4,670,117</u>
	Erie County Employees' Pension Plan	PRM Pension Plan	Total
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 275,218	\$ 1,356,706	\$ 1,631,924
Net difference between projected and actual earnings on pension plan investments	24,083,650	7,763,053	31,846,703
Total deferred inflows of resources	<u>\$ 24,358,868</u>	<u>\$ 9,119,759</u>	<u>\$ 33,478,627</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	Erie County Employees Retirement System	PRM Pension Plan	Total
2022	\$ (2,032,185)	\$ (2,351,007)	\$ (4,383,192)
2023	(9,663,481)	(3,780,118)	(13,443,599)
2024	(4,833,456)	(1,867,512)	(6,700,968)
2025	(3,383,333)	(897,418)	(4,280,751)
	<u>\$ (19,912,455)</u>	<u>\$ (8,896,055)</u>	<u>\$ (28,808,510)</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 6: PENSION PLAN (CONTINUED)

Financial Statements

The following is the Statement of Fiduciary Net Position as of December 31, 2021 and the Statement of Changes in Fiduciary Net Position for the County Employees Retirement System for the year ended December 31, 2021:

	County Employees Pension Trust Fund
<u>Assets</u>	
Cash and cash equivalents	\$ 4,568,861
Investments:	
U.S. governmental obligations	32,083,960
Corporate debt obligations	26,461,088
Other fixed income	1,970,130
Mutual funds - fixed income	33,584,766
Mutual funds - equity	130,696,310
Property trusts	24,029,054
Private equity	24,120,613
Exchange traded funds	4,421,770
Domestic equities	50,335,519
	<hr/>
Total investments	327,703,210
	<hr/>
Receivables:	
Contribution receivable	-
Interest and other receivables	420,957
	<hr/>
Total receivables	420,957
	<hr/>
<b>Total Assets</b>	<b>\$ 332,693,028</b>
	<hr/>
<u>Net Position</u>	
Restricted for:	
Pension benefits	\$ 332,693,028
	<hr/>
<b>Total Net Pension</b>	<b>\$ 332,693,028</b>
	<hr/>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 6: PENSION PLAN (CONTINUED)

Financial Statements (Continued)

	County Employees Pension Trust Fund
<b>Additions:</b>	
Contributions:	
Employee	\$ 6,555,075
Employer	4,461,449
	<u>11,016,524</u>
Investment income:	
Net appreciation in fair value of investments	30,687,879
Interest and dividends	9,416,640
	<u>40,104,519</u>
Total investment income	40,104,519
Less investment expense	518,292
	<u>39,586,227</u>
Net investment income	39,586,227
Total additions	<u>50,602,751</u>
<b>Deductions:</b>	
Pension benefits and refunds	19,226,098
Administrative expense	246,519
	<u>19,472,617</u>
Total deductions	19,472,617
<b>Change in Net Position</b>	31,130,134
Net Position, Beginning of year	301,562,894
Net Position, End of year	<u>\$ 332,693,028</u>

The financial statements for the Pleasant Ridge Manor Trust Fund are issued in a separate report and are available upon request.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 7: DEFFERED COMPENSATION PLAN

Pleasant Ridge Manor (PRM)

In January of 2012, PRM established a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (deferred compensation plans with respect to service for State and Local Governments), which is considered a defined contribution pension plan. As part of its fiduciary role, PRM has an obligation of due care in selecting the third-party administrator. This deferred compensation plan covers all employees who were hired on or after January 1, 2012, all employees who elected not to participate or who were not eligible for the pension plan prior to January 1, 2012, and all non-bargained employees whose full completed years of service plus their attained age on their last birthday totaled less than 65 as of December 31, 2011. Employees may contribute an amount of their salary up to the IRS limitations and PRM will match 3% of the employees' contributions. For the year ended December 31, 2021, employees contributed \$180,784 to the deferred compensation plan and PRM contributed \$64,930. The total fair value on PRM's 457(b) plan as of December 31, 2021 is \$2,473,893.

Erie County Care Management, Inc. (Corporation)

The Corporation maintains a defined contribution retirement plan for substantially all employees. The employer contributions to the defined contribution retirement plan are reviewed and set annually by the Corporation. For 2021, the employer's contributions are 9.27% of the employee's salary for employees hired prior to January 1, 2005 (former Case Management Support Services employees). For employees hired subsequently, the employer contributions to the plan are reviewed and set annually by the Corporation, but will not exceed 10.8%. For the year ended December 31, 2021, the contribution rate was established at 9% of employee's eligible compensation. Pension expense was \$683,102 for the year ended December 31, 2021.

The defined contribution retirement plan provides for voluntary contributions by participants subject to a maximum limitation as determined by IRS regulation on the 457 deferred compensation plans. Participant contributions are currently limited to the lesser of 100% of compensation or \$19,500.

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description

In addition to the pension benefits described in Note 6, the County provides post-employment health insurance benefits through a single employer defined benefit plan (OPEB Plan). The benefits are established in accordance with the requirements set forth by the Retirement Board of Erie County to all retired full-time employees employed before January 23, 1992. County Council can amend the OPEB plan at any time. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established. The OPEB Plan does not issue a separate report and activity of the OPEB Plan is reported in the County's Internal Service Fund.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

OPEB Plan Membership

As of December 31, 2021, the following employees were covered by the benefit terms:

Active Plan Members	60
Retirees and beneficiaries currently receiving benefits	715
Terminated Plan Members entitled to but not yet receiving benefits	<u>22</u>
Total	<u><u>797</u></u>

Contributions

The OPEB Plan is funded by the County on a “pay as you go” basis. Contributions are made to the OPEB Plan to pay claims as they happen. For the year ended December 31, 2021, the total contributions to the OPEB Plan were \$2,214,827.

Benefits Provided

The OPEB Plan provides healthcare coverage for qualified retirees. To be eligible for hospitalization insurance after leaving employment with the County, the participant must be an active retiree (eligible for and receiving a monthly pension check from the County). In addition, the participant must also meet one of the following age and service requirements: hired prior to January 23, 1992 and retiring with 20+ years of service and age 55+, hired prior to January 23, 1992 and retiring with 8+ years of service and age 60+, hired prior to January 23, 1992 and involuntary terminated (except for just cause/misconduct) with 8+ years prior service, or hired prior to January 23, 1992 and eligible for disability retirement.

Hospitalization coverage as a retiree will be equivalent (single or dependent coverage) to that held by the individual at the time of retirement. In addition, only dependents who were covered prior to retirement will be eligible for coverage under the retiree's plan (no new dependents may be added to the coverage after retirement). A spouse may be covered as a dependent until the death of the retiree; thereafter, they are eligible to continue their coverage by paying 100% of the monthly insurance premium.

Retirees currently pay a portion of the monthly premium. The County covers the balance of premiums not paid by the retiree.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Changes in the OPEB Liability

	Total OPEB Liability
Balances at December 31, 2020	\$43,578,311
Changes for the year:	
Service cost	168,386
Interest	903,953
Changes in assumptions	312,744
Benefit payments	<u>(2,214,827)</u>
Net changes	<u>(829,744)</u>
Balances at December 31, 2021	<u>\$42,748,567</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation performed on December 31, 2021 using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal	
Measurement Date	December 31, 2021	
Healthcare cost trend rates:	UPMC or Highmark PPO Blue	Freedom Blue
2021	8.0%	3.0%
2022	7.0%	3.0%
2023	6.0%	3.0%
2024 and after	5.0%	3.0%
Discount rate	2.06% based on the Bond Buyer 20-Bond GO Index	
Mortality rates	RP-2000 Mortality table for men and women, projected to 2021 with Mortality improvement based on Scale AA.	
Retirement age	Age 55	15.0%
	Age 56-59	3.0%
	Age 60-61	10.0%
	Age 62	25.0%
	Age 63-64	15.0%
	Age 65	100.0%

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Change in Actuarial Assumptions

The discount rate was changed from 2.12% to 2.06% in the December 31, 2021 valuation. The discount rate was based on the Bond Buyer 20-Bond GO Index as of December 31, 2021.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following represents the total OPEB liability of the County, calculated using the discount rate at 2.06%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or one-percentage-point higher than the current discount rate:

	1% Decrease (1.06%)	Current Discount Rate (2.06%)	1% Increase (3.06%)
Total OPEB Liability	<u>\$48,556,169</u>	<u>\$ 42,748,567</u>	<u>\$37,980,122</u>

Sensitivity of the Total OPEB Liability to Change in the Healthcare Cost Trend Rate

The following represents the total OPEB liability of the County, calculated using the healthcare cost trend rate presented above, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or one-percentage-point higher than the current discount rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	<u>\$37,839,602</u>	<u>\$ 42,748,567</u>	<u>\$48,648,898</u>

Pleasant Ridge Manor (PRM) – Blended Component Unit

Plan Description

PRM's defined benefit OPEB plan (PRM OPEB Plan) is a single-employer defined benefit plan that pays the cost of bridge health insurance coverage for retirees until age 65 when Medicare commences. To qualify for healthcare benefits under the plan, an employee must retire from active employment from PRM after attaining age 60 and completing at least 20 years of service. The PRM OPEB Plan is not accounted for as a trust fund, an irrevocable trust has not been established, the plan does not issue a separate report, and activity of the plan is reported in the County's business-type activities-enterprise funds.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

PRM OPEB Plan Membership

As of December 31, 2021, the following employees were covered by the benefit terms:

Active Plan Members	287
Retirees and beneficiaries currently receiving benefits	29
Terminated Plan Members entitled to but not yet receiving benefits	<u>0</u>
Total	<u><u>316</u></u>

Contributions

The PRM OPEB Plan is funded by PRM on a “pay as you go” basis. Contributions are made to the plan to pay claims as they happen. For the year ended December 31, 2021, the total contributions to the PRM OPEB Plan were \$282,505.

Benefits Provided

Qualified employees are provided with the single health coverage that is the same as that provided to active employees. The coverage continues to Medicare eligibility age. Retirees are required to fund a portion of their health benefit cost in an amount that equals 5% of the single COBRA coverage premium in their year of retirement.

Changes in the OPEB Liability

The changes in the OPEB Liability of PRM for the year ended December 31, 2021 were as follows:

	<u>Total OPEB Liability</u>
Balances at December 31, 2020	\$ 2,492,228
Changes for the year:	
Service cost	92,723
Interest	46,936
Differences between expected and actual experience	160,108
Changes in assumptions	(39,118)
Benefit payments	<u>(282,505)</u>
Net changes	<u>(21,856)</u>
Balances at December 31, 2021	<u><u>\$ 2,470,372</u></u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Actuarial Assumptions

PRM's total OPEB liability was determined by an actuarial valuation performed on January 1, 2022 using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal
Healthcare cost trend rates	4.00%
Discount rate	2.25%
Turnover	T-5
Premium rate for bridge coverage	\$799.04
Retirement age	Assumed ages at retirement have been developed from actual historical experience as follows:
	Age 60 - 30% of eligible employees
	Age 61 - 10% of eligible employees
	Age 62 - 20% of eligible employees
	Age 63 - 10% of eligible employees
	Age 64 - 5% of eligible employees
	Age 65 or older - 100% of eligible employees

Change in Actuarial Assumptions

For the January 1, 2022 actuarial valuation, the discount rate was changed from 1.93% to 2.25%. In addition, the mortality improvement scale was updated from MP-2021 to reflect the most recent tables as released by the Society of Actuaries.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total PRM OPEB liability, calculated using a discount rate of 2.25%, as well as what the total OPEB liabilities would be if they were calculated using a discount rate that is 1-percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Total OPEB Liability	<u>\$2,593,713</u>	<u>\$ 2,470,372</u>	<u>\$2,350,869</u>

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total PRM OPEB liability, calculated using the healthcare cost trend rate of 4.00%, as well as what the total OPEB liabilities would be if they were calculated using a healthcare cost trend rate that is 1-percentage-point lower or one-percentage-point higher than the current rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability	<u>\$2,288,177</u>	<u>\$ 2,470,372</u>	<u>\$2,680,467</u>

Total OPEB Liability – Primary Government

The components of the County's OPEB liability as of December 31, 2021 were as follows:

	<u>Erie County</u> <u>OPEB Plan</u>	<u>PRM</u> <u>OPEB Plan</u>	<u>Total</u>
Total OPEB liability	<u>\$ 42,748,567</u>	<u>\$ 2,470,372</u>	<u>\$ 45,218,939</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONTINUED)

Pleasant Ridge Manor (PRM) – Blended Component Unit (Continued)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources  
Related to OPEBs – Primary Government

For the year ended December 31, 2021, the County recognized OPEB expense/(income) of \$1,385,083 and \$137,638 related to its governmental and business-type activities, respectively. As of December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Erie County OPEB Plan	PRM OPEB Plan	Total
<u>Deferred Outflow of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 144,427	\$ 144,427
Changes in assumption	-	270,724	270,724
	<u>\$ -</u>	<u>\$ 415,151</u>	<u>\$ 415,151</u>
	Erie County OPEB Plan	PRM OPEB Plan	Total
<u>Deferred Outflow of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 366,909	\$ 366,909
Changes in assumption	-	35,287	35,287
	<u>\$ -</u>	<u>\$ 402,196</u>	<u>\$ 402,196</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ending December 31,

2022	\$ (2,021)
2023	(2,021)
2024	(2,021)
2025	(2,021)
2026	(2,021)
Thereafter	<u>23,060</u>
	<u>\$ 12,955</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 9: RISK MANAGEMENT

Claims and Assessment

The County is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. Settled claims from these risks have exceeded commercial insurance coverage for 2019 by \$48,015, 2020 by \$174,951 and 2021 by \$144,002.

Healthcare

The County maintains a self-insurance program for health and prescription drug coverage for eligible employees on cost-reimbursement basis. Employees contribute \$29.27 or \$81.12 per month depending on single or dependent coverage election.

A stop-loss insurance contract executed with an insurance carrier covers independent claims in excess of \$300,000 up to \$1,000,000 maximum per individual claim.

During the year ended December 31, 2021, total claims expenses and stop-loss insurance expenses were \$20,950,402. Claims expenses recorded as employee fringe expenditures represent claims processed as of December 31, 2021 and includes \$753,967 claims payable.

A liability for claims is required to be reported if information prior to the issuance of financial statements indicates that a liability had been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. The claims liability is recorded in the Internal Service Fund medical claims payable. Changes in the claim liability are as follows:

Claims liability - beginning of year, January 1, 2020	\$ 724,091
Current year incurred claims	19,393,432
Claims payments	<u>(18,855,566)</u>
Claims liability - end of year, December 31, 2020	<u>\$ 1,261,957</u>
Claims liability - beginning of year, January 1, 2021	\$ 1,261,957
Current year incurred claims	20,950,402
Claims payments	<u>(21,458,392)</u>
Claims liability - end of year, December 31, 2021	<u>\$ 753,967</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 9: RISK MANAGEMENT (CONTINUED)

Pleasant Ridge Manor (PRM)

PRM maintains a self-insurance program for workers' compensation coverage. The program charges premiums based on the amount determined by an administering insurance company. The premiums based on anticipated claims and estimated costs of administering the program by the insurance company. PRM has elected to retain a portion of the risk of loss from workers' compensation claims by reducing insurance coverage to obtain benefits of reduced premium costs. The insurance company serves as claims administrator and reviews and processes claims. The Department of Labor and Industry requires a letter of credit in the amount of \$700,000. The total workers' compensation reserve payable totals \$58,752 as of December 31, 2021. The total cost of premiums incurred during 2021 amounted to \$96,383. PRM maintains an insurance policy that limits the maximum workers' compensation liability per occurrence to \$400,000.

Changes in the claim liability are as follows:

Workers' Compensations Reserve - January 1, 2020	\$ 41,811
Incurred claims and claim adjustments	96,660
Payments on claims and claim adjustment expenses	<u>(79,719)</u>
Workers' Compensation Reserve - December 31, 2020	<u>\$ 58,752</u>
Workers' Compensation Reserve - January 1, 2021	\$ 58,752
Incurred claims and claim adjustments	96,383
Payments on claims and claim adjustment expenses	<u>(100,424)</u>
Workers' Compensation Reserve - December 31, 2021	<u>\$ 54,711</u>

There have been no significant reductions in insurance coverage from coverage in the prior year and the amount of settlements have not exceeded insurance coverage for each of the past three years.

Pursuant to the employee benefit program, Pleasant Ridge Manor maintains a self-insurance program for prescription drugs. Under the Employee Prescription Plan, employees contribute a specified amount per prescription with the balance of the cost paid by PRM. PRM also maintains an insured health insurance program under which the ultimate premiums or contributions are based primarily on PRM's loss experiences. The plan includes certain stop loss provisions. The plan is operated on a calendar year. There is a co-pay that is collected from the employee with the balance of costs incurred by PRM.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 9: RISK MANAGEMENT (CONTINUED)

Pleasant Ridge Manor (PRM) (Continued)

A reconciliation of the change in medical health insurance claims payable is as follows:

Claims liability - beginning of year, January 1, 2020	\$ 268,119
Current year incurred claims	6,047,270
Claims payments	<u>(5,785,233)</u>
Claims liability - ends of year, December 31, 2020	<u>\$ 530,156</u>
Claims liability - beginning of year, January 1, 2021	\$ 530,156
Current year incurred claims	6,007,689
Claims payments	<u>(6,313,373)</u>
Claims liability - end of year, December 31, 2021	<u>\$ 224,472</u>

Erie County Care Management, Inc. (Corporation)

The Corporation's self-insurance program pays dental and vision expenses for the Corporation's employees on a cost-reimbursement basis. Under the program, the Corporation is obligated to pay up to \$1,750 per person per plan year for dental claims and up to \$300 per individual and \$750 per family for vision claims. Beginning May 1, 2014, the Corporation also became self-insured for healthcare coverage. The corporation covers claims up to \$75,000 per person, per illness, with the excess being covered through a commercial insurance policy. The healthcare plan is administered through a contractual relationship with an unrelated company; however, the Corporation is solely responsible for all claims incurred up to the amount of the stop loss provisions.

Healthcare, dental, and vision costs are estimated based on known amounts of reported claims as of December 31, 2021. During the year ended December 31, 2021, the total claims expense was \$1,173,891. Claims expense represents claims payable. A liability for claims is required to be reported if information prior to the issuance of financial statements indicates that a liability had been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Changes in the claims liability are as follows:

	<u>Healthcare</u>	<u>Dental</u>	<u>Vision</u>	<u>Total</u>
Claims liability, January 1, 2020	\$ (101,038)	\$ (1,588)	\$ (1,754)	\$ (104,380)
Current premiums	1,270,753	41,490	28,129	1,340,372
Claims payments and administration	<u>(1,227,189)</u>	<u>(40,894)</u>	<u>(27,574)</u>	<u>(1,295,657)</u>
Claims liability, December 31, 2020	<u>\$ (57,474)</u>	<u>\$ (992)</u>	<u>\$ (1,199)</u>	<u>\$ (59,665)</u>
Claims liability, January 1, 2021	\$ (57,474)	\$ (992)	\$ (1,199)	\$ (59,665)
Current premiums	1,121,123	50,851	28,481	1,200,455
Claims payments and administration	<u>(1,091,133)</u>	<u>(53,974)</u>	<u>(28,784)</u>	<u>(1,173,891)</u>
Claims liability, December 31, 2021	<u>\$ (27,484)</u>	<u>\$ (4,115)</u>	<u>\$ (1,502)</u>	<u>\$ (33,101)</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 10: LONG-TERM OBLIGATIONS

Long-term obligations outstanding as of December 31, 2021, consisted of the following:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	\$38,400,000	\$ -	\$(7,665,000)	\$ 30,735,000	\$5,420,000
Bond premium	3,752,138	-	(787,181)	2,964,957	-
Total bonds, net	42,152,138	-	(8,452,181)	33,699,957	5,420,000
Compensated absences	1,900,320	438,132	(347,865)	1,990,587	81,012
Total	<u>\$44,052,458</u>	<u>\$438,132</u>	<u>\$(8,800,046)</u>	<u>\$ 35,690,544</u>	<u>\$5,501,012</u>

An analysis of debt service requirements to maturity on these obligations follows with the exception of compensated absences.

General obligation bonds are direct obligations of the County. Principal and interest payments are backed by the full faith, credit and taxing power of the County. Compensated absences are liquidated by the general fund, mental health/intellectual disabilities fund, health choices, children and youth and certain other non-major funds.

Year	Amount of Original Issue		Balance Outstanding December 31, 2021	Amounts Due Within One Year
2005	\$ 40,815,000	<u>\$11,945,000 Series A</u>		
		The proceeds for the Series A were used to advance refund the County's General Obligation Bonds, Series B of 2003 maturing on and after September 1, 2014, with an interest rate of 3.25% to 5.0% and maturity date of September 1, 2023. The Series A bonds were issued at a premium of \$1,300,316.	\$ 3,835,000	\$ 1,865,000
2012	\$ 24,475,000	<u>\$8,655,000 Series A</u>		
		The proceeds were used by the County to refund a portion of the 2003 Bonds, on an advance refunding basis and to pay the cost of issuing the bonds, with a maturity date of September 1, 2023 and an interest rate of .65% to 3%.	25,000	15,000
		<u>\$4,940,000 Series B</u>		
		The proceeds were used by the County to refund a portion of the 2003 Bonds, on an advanced refunding basis and to pay the cost of issuing the bonds, with a maturity date of September 1, 2023 and an interest rate of .784% to 3.66%.	990,000	485,000

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

2015	\$ 17,380,000	The proceeds were used by the County to pay all costs related to engineering, design, bidding, and construction of capital projects and to pay the cost of issuing the bonds, with a maturity date of September 1, 2030 and an interest rate of 2% to 5%. The 2015 bonds were issued at a premium of \$2,136,354.	11,845,000	1,075,000
2017	\$ 20,220,000	The proceeds were used for the current refunding of the 2007 Series, with a maturity date of September 1, 2025 and an interest rate of 3% to 5%. The 2017 bonds were issued at a premium of \$3,483,595.	14,040,000	1,980,000
Total general long-term debt obligations			<u>\$ 30,735,000</u>	<u>\$ 5,420,000</u>

Annual debt service requirements of maturity for general obligation bonds are as follows:

Years Ending December 31,	Total Debt Service	
	Principal	Interest
2022	\$ 5,420,000	\$1,485,560
2023	5,690,000	1,212,912
2024	6,055,000	925,456
2025	6,360,000	622,706
2026	1,310,000	304,706
2027-2031	5,900,000	558,731
	<u>\$30,735,000</u>	<u>\$5,110,071</u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 11: INTERFUND BALANCES

The County affects a variety of transactions between its funds. These transactions are performed in the normal course of transacting County business in order for certain funds to cover the expenses of the other funds until those funds receive available resources in order to repay the amount. In addition, certain funds may receive funds that are due to other funds and have not distributed the funds at year-end. The individual inter-fund receivable and payable balances at year-end are as listed below:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Governmental fund types:		
Major funds:		
General	\$ 27,339,318	\$ 3,718,362
MH/D	3,000	128,975
Health Choices	12,944	60,692
Children and Youth	62,610	15,855,899
Gaming	-	2,164,181
ARPA	-	7,108,057
Non-major Funds:		
Domestic Relations	-	785,442
Drug and Alcohol	-	248,930
Public Health	-	2,582,412
Library Fund	905,144	207,439
Planning	17,773	250,824
Public Safety	69,545	231,098
Total governmental funds	<u>28,410,334</u>	<u>33,342,311</u>
Proprietary fund type:		
Internal Service Fund	<u>4,931,977</u>	<u>-</u>
Total proprietary funds	<u>4,931,977</u>	<u>-</u>
Total	<u><u>\$ 33,342,311</u></u>	<u><u>\$ 33,342,311</u></u>

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

## NOTE 11: INTERFUND BALANCES (CONTINUED)

The County affects a variety of transaction between its funds. Transfers occur if a certain fund is required to or is utilized to fund the operations of another. The majority of the transfers are from the General Fund in order to cover the operating expenses of other funds. A summary of transfers is as listed below:

	Transfers In	Transfers Out
Governmental fund types:		
Major funds:		
General	\$ 9,790,225	\$ 35,739,248
MH/D	1,093,924	-
Children and Youth	10,509,365	290,400
Gaming	-	4,621,088
ARPA	-	7,092,000
Non-major Funds:		
Domestic Relations	1,598,200	243,643
Drug and Alcohol	281,864	-
Public Health	2,032,753	-
Library	5,554,699	-
Planning	567,363	-
Public Safety	2,862,393	2,170,774
Debt Service	9,526,457	-
Total governmental funds	<u>43,817,243</u>	<u>50,157,153</u>
Proprietary fund type:		
Pleasant Ridge Manor	<u>6,339,910</u>	<u>-</u>
Total proprietary funds	<u>6,339,910</u>	<u>-</u>
Total	<u><u>\$ 50,157,153</u></u>	<u><u>\$ 50,157,153</u></u>

## NOTE 12: OPERATING LEASES

The County leases building and office facilities and other equipment under non-cancellable operating leases. Total costs for such leases were \$1,153,643 for the year ended December 31, 2021. The future minimum lease payments for these are as follows:

<u>Year Ending</u>	
2022	\$1,105,777
2023	737,330
2024	293,457
2025	233,230
2026	130,999
2027-2028	<u>261,998</u>
	<u><u>\$2,762,791</u></u>

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 12: OPERATING LEASES (CONTINUED)

Erie County Community College of Pennsylvania (College)

The College leases facilities under short-term, noncancelable operating lease agreements. The leases expire at various dates through 2022. In the normal course of business, it is expected that these leases will be renewed or replaced by leases on other properties. Lease expense was \$12,731 during fiscal year 2021.

Future minimum rental payments required under the operating lease agreements for operating leases are \$210,555 for the fiscal year ending June 30, 2022.

NOTE 13: LITIGATION

In the normal course of business, there are various claims and suits pending against the County and its elected officials. Management is of the opinion that these matters will not have a material adverse effect on the County's financial position as of December 31, 2021.

NOTE 14: IRREVOCABLE GIFT TO ERIE COMMUNITY FOUNDATION

Erie County Gaming Revenue Authority – Component Unit

The Authority has entered into an irrevocable gift agreement with the Erie Community Foundation (ECF). This fund is under the control of the ECF and subject to their policies and, as such, is not recorded on the books of the Authority. The market value of this fund as reported by the ECF as of March 31, 2021 was \$15.2 million. A donor-designated fund, called the Lean Asset Endowment Fund, was established to perpetually provide financial assistance to organizations designated by the settlement dated December 31, 2010 (Erie County Lead Regional Assets). During the year ended March 31, 2021, \$505,216 in distributions from this fund were awarded directly to Erie County Lead Assets.

NOTE 15: NOTES RECEIVABLE

Erie County Gaming Revenue Authority – Component Unit

As of March 31, 2021, the total notes receivable balance of \$7,688,846 is reported net of an allowance for uncollectible notes in the amount of \$1,540,000

On September 13, 2012 and August 13, 2013, the Authority entered into loan agreements with the Enterprise Development Fund of Erie County, Inc. (Fund) for \$500,000 and \$800,000, respectively. The purpose of the loan was to provide loans to various entities in the Erie County area to create and retain jobs. In March 2018, the loans were restructured and combined into one loan agreement. The loan agreement requires interest only payments at a rate of 1% annum, until March 2028. The loan has an outstanding principal balance of \$1,300,000 as of March 31, 2021. The Authority was notified in 2016 that an entity related to the Fund, The Greater Erie Industrial Development Corporation (GEIDC), filed for Chapter 7 bankruptcy. The Authority has considered the uncertainty surrounding the ultimate collectability of the loans in its determination of the overall allowance for uncollectible notes. The Authority staff and Board will continue to monitor this dynamic situation to confirm ongoing viability of the Fund.

In September 2014, the Authority entered into a loan agreement with the Corry Industrial Benefit Association (CIBA) for \$50,000. The purpose of the loan was to provide loans to low income individuals for energy efficient improvements for their homes. Payments are due to the Authority when CIBA has issued a loan to an individual and CIBA receives principal payments. The loan has an outstanding principal balance of \$18,846 as of March 31, 2021.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 15: NOTES RECEIVABLE (CONTINUED)

Erie County Gaming Revenue Authority – Component Unit (Continued)

In January 2016, the Authority entered into a loan agreement with Bridgeway Capital for \$1,000,000. The purpose of the loan was to create the Erie Growth Fund. The loan requires interest only quarterly payments at a rate of 3% per annum. The entire principal is due in January 2026. The loan has an outstanding principal balance of \$1,000,000 as of March 31, 2021.

In April 2017, the Authority entered into a loan agreement with the Progress Fund for \$1,000,000. The purpose of the loan was to provide capital to rural businesses that create jobs and invest in Erie County. The loan requires interest only quarterly payments at a rate of 2% per annum. The entire principal is due January 2026. The loan has an outstanding principal balance of \$1,000,000 as of March 31, 2021.

In December 2017, the Authority entered into a loan agreement with 1855 Capital Fund for \$500,000. The purpose of the loan was to provide capital to technology-based businesses that create jobs and invest in Erie County. Minimum interest, as that term is defined in the loan agreement, is due to the Authority semiannually. Outstanding minimum interest, fixed interest, participating interest, and principal are due on the maturity date, as that term is defined in the loan agreement. The entire principal is due December 2027. The loan has an outstanding principal balance of \$500,000 as of March 31, 2021.

In September 2018, the Authority entered into a loan agreement with Bridgeway Capital for \$2,500,000. The purpose of the loan was to create the Erie Inclusive Fund. The loan requires interest-only quarterly payments at a rate of 1% per annum. The entire principal is due December 2028. The loan has an outstanding principal balance of \$2,500,000 as of March 31, 2021.

In January 2019, the Authority entered into a loan agreement with Blue Highway Capital for \$250,000. The purpose of the loan was to provide capital to rural businesses throughout Erie County. Minimum interest, as the term is defined in the loan agreement, is due to ECGRA semiannually. Outstanding minimum interest, fixed interest, participating interest, and principal are due on the maturity date, as that term is defined in the loan agreement. The entire principal is due in January of 2029, unless extensions are exercised. The loan has an outstanding principal balance of \$250,000 as of March 31, 2021.

In March 2020, the Authority entered into a loan agreement with Bridgeway Capital to develop two separate coronavirus COVID-19 emergency loan funds, one to provide loans to small businesses within Erie County that have demonstrated actual negative economic impact due to effects of coronavirus COVID-19 in the amount \$520,000, and one to provide loans to small Erie County nonprofit organizations for the purpose of providing the nonprofit organization with resources to aid in their mission based on local response to the pandemic in the amount of \$100,000. The loan bears zero interest. The entire outstanding balance is due in October of 2026, unless the forgiveness clause is exercised. The loan has an outstanding principal balance of \$620,000 as of March 31, 2021.

In August 2020, the Authority entered into a loan agreement with the Erie Center for Arts & Technology for \$500,000. The purpose of the loan was to rehabilitate the Wayne School building in support of workforce development, educational, and healthcare programming anchoring a distressed neighborhood. Outstanding Minimum Interest, Fixed Interest, Participating Interest, and Principal are due on the Maturity Date, as that term is defined by the loan agreement. The entire principal is due in August of 2027, unless extensions are exercised. The loan has an outstanding principal balance of \$500,000 as of March 31, 2021.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

**NOTE 16: GUARANTEED DEBT**

The Council has the legal authority to extend debt guarantees to other organizations. As of December 31, 2021, the County had guaranteed the following debt of other organizations:

Description	Amount
2014 Erie County Convention Center Authority Aeries A and B Notes	\$32,263,000
2015 Erie County Convention Center Authority Bonds	<u>31,855,000</u>
	<u>\$64,118,000</u>

In February 2014, Council approved an ordinance guaranteeing of up to \$60,000,000 of the Convention Center Authority's combined issuance of bonds and/or notes. As of December 31, 2021, the Convention Center Authority has drawn down \$60,000,000 and repaid \$26,750,000 for a total outstanding amount of \$33,250,000. Such debt is guaranteed in full by the County extends through 2044.

On April 1, 2015, the Convention Center Authority issued Guaranteed Hotel Revenue Refunding Bonds, Series of 2015, in the amount of \$37,750,000. Such debt is guaranteed in full by the County and extends through 2036.

**NOTE 17: CONTINGENCIES**

The County receives significant financial assistance from governmental agencies in the form of contracts and grants. The disbursement of funds received under such programs generally requires compliance with terms and conditions specified in the contract or grant agreements and are subject to audit by grantor agencies. Any disallowed costs resulting from such audits could become a liability of the County. The amount of any expenditure that may be disallowed by the granting agencies cannot be determined at this time. The County's management expects such amounts, if any, to be immaterial.

**NOTE 18: TAX ABATEMENTS AND OTHER TAX ARRANGEMENTS**

The County's Local Economic Revitalization Tax Assistance (LERTA) tax abatement is authorized by County Council ordinance. Recipients are eligible for tax abatement for various reasons such as development costs, property location, or renovations that would otherwise result in increased property assessment. All LERTA tax abatements are based on the increase value of the improvement.

The County's Keystone Opportunity Zones (KOZ/KOEZ) abatement is authorized by the State. Upon approval from the State, credits are issued for the value of the land and improvements.

The following are the County's tax abatement programs:

- 3-year LERTA – available for residential properties, defined by Municipality.
- 3-year LERTA – available for commercial/industrial properties, defined by Municipality.
- 5-year LERTA – available for residential properties, defined by Municipality.
- 5-year Commercial LERTA – available for commercial/industrial properties, defined by Municipality.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 18: TAX ABATEMENTS AND OTHER TAX ARRANGEMENTS (CONTINUED)

- 10-year Residential LERTA – available for residential properties, defined by Municipality.
- 10-year Commercial LERTA – available for commercial/industrial properties defined by Municipality.
- 1-year KOZ/KOEZ – available as defined by the State within specified zones of County.

Tax abatements are recaptured by the County at the end of the abatement period (3, 5, or 10 years). There were no amounts received or receivable from other governments in association with the forgone taxes. The County did not make other commitments other than to reduce taxes as part of the tax abatement agreements.

During 2021, real estate tax abatements were as follows:

<u>Abatements</u>	<u>Tax Dollars</u>
LERTA Residential	\$ 131,946
LERTA Commercial	159,472

Other tax arrangements including the following:

- Payment in lieu of taxes (PILOT) – An agreement for payment in lieu of taxes between Taxing Bodies and non-profit organizations.
- Tax Increment Financing (TIF) – Real estate tax revenue is diverted to another entity to cover bond payments for debt used for redevelopment and other community improvement projects.

During 2021, other real estate tax arrangements as defined above resulted in the following forgone tax amounts:

<u>Other Arrangements</u>	<u>Tax Dollars</u>
PILOT	\$ 879,075
TIF	117,936

NOTE 19: COMMITMENTS

As of December 31, 2021, the County has approximately \$597,641 in commitments related to the next-generation public radio system.

NOTE 20: RISKS AND UNCERTAINTIES

As the effects of the Coronavirus pandemic continue to evolve and are dependent upon future developments, the impact of the Coronavirus on the County's operations and financial results are uncertain at this time.

NOTE 21: SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 29, 2022, the date in which the report was available to be issued.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021, MARCH 31, 2021 OR JUNE 30, 2021

NOTE 21: EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the year ended December 31, 2021, the Children and Youth Fund 's total expenditures exceeded total appropriations by \$1,270,460. This amount was covered by actual revenues exceeding budgeted amounts by \$1,422,730.

For the year ended December 31, 2021, the Health Choices Fund's total expenditures exceeded total appropriations by \$15,908,091. This amount was covered by actual revenues exceeding budgeted amounts by \$17,912,758.

## **REQUIRED SUPPLEMENTARY INFORMATION**

COUNTY OF ERIE, PENNSYLVANIA  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN  
SCHEDULE OF CHANGES IN THE COUNTY'S NET  
PENSION LIABILITY (ASSET) AND RELATED RATIOS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020	2019
<b>Total Pension Liability:</b>			
Service cost	\$ 7,804,984	\$ 7,512,030	\$ 6,870,210
Interest	22,074,897	21,109,196	20,322,780
Changes of benefit terms	7,415,564	619,444	-
Differences between expected and actual experience	1,150,489	2,769,838	1,356,816
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(19,226,098)	(18,651,139)	(17,552,197)
<b>Net Changes in Total Pension Liability</b>	19,219,836	13,359,369	10,997,609
<b>Total Pension Liability - Beginning</b>	308,520,131	295,160,762	284,163,153
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 327,739,967</u>	<u>\$ 308,520,131</u>	<u>\$ 295,160,762</u>
<b>Plan Fiduciary Net Position:</b>			
Contributions - employer	\$ 6,555,075	\$ 6,397,197	\$ 5,773,721
Contributions - employee	4,461,449	4,385,594	3,886,103
Net investment income	39,586,227	30,097,093	43,440,171
Benefit payments, including refunds of member contribution	(19,226,098)	(18,651,139)	(17,552,796)
Administrative expense	(246,519)	(214,955)	(218,488)
<b>Net Change in Plan Fiduciary Net Position</b>	31,130,134	22,013,790	35,328,711
<b>Plan Fiduciary Net Position - Beginning</b>	301,562,894	279,549,104	244,220,393
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 332,693,028</u>	<u>\$ 301,562,894</u>	<u>\$ 279,549,104</u>
<b>Net Pension Liability - Ending (a-b)</b>	<u>\$ (4,953,061)</u>	<u>\$ 6,957,237</u>	<u>\$ 15,611,658</u>
<b>Plan fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<u>101.51%</u>	<u>97.74%</u>	<u>94.71%</u>
<b>Covered Payroll</b>	<u>\$ 56,533,860</u>	<u>\$ 57,557,509</u>	<u>\$ 52,482,730</u>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	-8.76%	12.09%	29.75%

See accompanying notes to schedules of required supplementary information – pension plan.

2018	2017	2016	2015	2014	2013	2012
\$ 6,450,127	\$ 6,116,659	\$ 5,827,529	\$ 5,610,339	\$ 5,570,895	\$ 5,408,532	\$ 4,915,860
19,965,634	19,077,990	18,271,311	17,586,986	17,079,993	16,313,427	15,582,436
-	351,251	-	-	-	-	-
(1,249,450)	563,296	1,248,285	(205,386)	(585,838)	573,565	(527,192)
5,873,578	2,233,873			(1,961,455)		
(16,931,705)	(15,859,511)	(14,375,724)	(13,606,612)	(13,029,168)	(11,362,994)	(10,017,510)
14,108,184	12,483,558	10,971,401	9,385,327	7,074,427	10,932,530	9,953,594
270,054,969	257,571,411	246,600,010	237,214,683	230,140,256	219,207,726	209,254,132
<u>\$ 284,163,153</u>	<u>\$ 270,054,969</u>	<u>\$ 257,571,411</u>	<u>\$ 246,600,010</u>	<u>\$ 237,214,683</u>	<u>\$ 230,140,256</u>	<u>\$ 219,207,726</u>
\$ 4,360,594	\$ 4,642,134	\$ 4,321,221	\$ 4,341,227	\$ 5,580,680	\$ 6,812,406	\$ 5,897,793
3,662,496	3,472,718	3,244,397	3,057,133	2,926,661	2,844,809	2,790,857
(14,388,036)	32,872,613	19,103,732	630,159	13,732,457	37,041,532	19,668,574
(16,931,705)	(15,859,511)	(14,375,724)	(13,606,612)	(13,029,168)	(11,362,994)	(10,017,510)
(188,498)	(197,630)	(197,018)	(197,913)	(196,249)	(182,111)	(172,318)
(23,485,149)	24,930,324	12,096,608	(5,776,006)	9,014,381	35,153,642	18,167,396
267,705,542	242,775,218	230,678,610	236,454,616	227,440,235	192,286,593	174,119,197
<u>\$ 244,220,393</u>	<u>\$ 267,705,542</u>	<u>\$ 242,775,218</u>	<u>\$ 230,678,610</u>	<u>\$ 236,454,616</u>	<u>\$ 227,440,235</u>	<u>\$ 192,286,593</u>
<u>\$ 39,942,760</u>	<u>\$ 2,349,427</u>	<u>\$ 14,796,193</u>	<u>\$ 15,921,400</u>	<u>\$ 760,067</u>	<u>\$ 2,700,021</u>	<u>\$ 26,921,133</u>
<u>85.94%</u>	<u>99.13%</u>	<u>94.26%</u>	<u>93.54%</u>	<u>99.68%</u>	<u>98.83%</u>	<u>87.72%</u>
<u>\$ 51,001,412</u>	<u>\$ 47,048,703</u>	<u>\$ 47,769,157</u>	<u>\$ 45,950,055</u>	<u>\$ 44,607,295</u>	<u>\$ 43,876,969</u>	<u>\$ 43,276,003</u>
78.32%	4.99%	30.97%	34.65%	1.70%	6.15%	62.21%

See accompanying notes to schedules of required supplementary information – pension plan.

COUNTY OF ERIE, PENNSYLVANIA  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN  
SCHEDULE OF CHANGES IN THE COUNTY'S NET  
PENSION LIABILITY (ASSET) AND RELATED RATIOS  
BLENDED COMPONENT UNIT – PLEASANT RIDGE MANOR  
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020	2019
<b>Total Pension Liability:</b>			
Service cost	\$ 1,141,799	\$ 1,137,451	\$ 1,099,486
Interest	4,666,269	4,484,001	4,364,806
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(2,148,480)	666,682	(73,796)
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(3,729,440)	(3,836,365)	(3,722,965)
<b>Net Changes in Total Pension Liability</b>	(69,852)	2,451,769	1,667,531
<b>Total Pension Liability - Beginning</b>	65,240,638	62,788,869	61,121,338
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 65,170,786</u>	<u>\$ 65,240,638</u>	<u>\$ 62,788,869</u>
<b>Plan Fiduciary Net Position:</b>			
Contributions - employer	\$ 770,000	\$ 1,100,000	\$ 1,200,000
Contributions - employee	778,062	803,146	760,579
Net investment income	9,517,172	9,354,391	10,657,727
Benefit payments, including refunds of member contribution	(3,729,440)	(3,836,365)	(3,722,965)
PBGC premium	-	-	-
Administrative expense	(49,359)	(37,735)	(50,465)
<b>Net Change in Plan Fiduciary Net Position</b>	7,286,435	7,383,437	8,844,876
<b>Plan Fiduciary Net Position - Beginning</b>	70,653,267	63,269,830	54,424,954
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 77,939,702</u>	<u>\$ 70,653,267</u>	<u>\$ 63,269,830</u>
<b>Net Pension Liability - Ending (a-b)</b>	<u>\$ (12,768,916)</u>	<u>\$ (5,412,629)</u>	<u>\$ (480,961)</u>
<b>Plan fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<u>119.59%</u>	<u>108.30%</u>	<u>100.77%</u>
<b>Covered Payroll</b>	<u>\$ 7,340,304</u>	<u>\$ 8,907,286</u>	<u>\$ 8,309,214</u>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	-173.96%	-60.77%	-5.79%

See accompanying notes to schedules of required supplementary information – pension plan.

2018	2017	2016	2015	2014	2013	2012
\$ 1,111,850	\$ 1,112,988	\$ 1,177,907	\$ 1,201,800	\$ 1,316,038	\$ 1,302,375	\$ 1,311,548
4,414,264	4,066,669	3,959,824	3,871,884	3,746,192	3,835,535	3,550,737
	-	-	-	-	-	-
(674,349)	(59,683)	(521,371)	(819,346)	(509,173)	(882,105)	(1,151,599)
2,682,119	-	-	(63,729)	-	1,919,159	-
(3,219,107)	(3,104,009)	(3,153,850)	(2,944,509)	(2,409,280)	(2,093,266)	(2,022,187)
4,314,777	2,015,965	1,462,510	1,246,100	2,143,777	4,081,698	1,688,499
56,806,561	54,790,596	53,328,086	52,081,986	49,938,209	45,856,511	44,168,012
<u>\$ 61,121,338</u>	<u>\$ 56,806,561</u>	<u>\$ 54,790,596</u>	<u>\$ 53,328,086</u>	<u>\$ 52,081,986</u>	<u>\$ 49,938,209</u>	<u>\$ 45,856,511</u>
\$ 1,800,000	\$ 1,672,253	\$ 1,150,000	\$ 2,100,000	\$ 2,042,130	\$ 2,400,000	\$ 1,658,897
789,123	783,645	812,288	815,148	878,217	900,694	894,338
(2,947,711)	7,250,802	4,325,544	210,618	2,676,236	7,636,064	3,562,156
(3,219,107)	(3,104,009)	(3,153,850)	(2,944,509)	(2,409,280)	(2,093,266)	(2,022,187)
(389,210)	(383,830)	(364,714)	(244,842)	(155,799)	(132,616)	(120,974)
(35,700)	(46,054)	(18,040)	(19,562)	(47,568)	(84,846)	
(4,002,605)	6,172,807	2,751,228	(83,147)	2,983,936	8,626,030	3,972,230
58,427,559	52,254,752	49,503,524	49,586,671	46,602,735	37,976,705	34,004,475
<u>\$ 54,424,954</u>	<u>\$ 58,427,559</u>	<u>\$ 52,254,752</u>	<u>\$ 49,503,524</u>	<u>\$ 49,586,671</u>	<u>\$ 46,602,735</u>	<u>\$ 37,976,705</u>
<u>\$ 6,696,384</u>	<u>\$ (1,620,998)</u>	<u>\$ 2,535,844</u>	<u>\$ 3,824,562</u>	<u>\$ 2,495,315</u>	<u>\$ 3,335,474</u>	<u>\$ 7,879,806</u>
<u>89.04%</u>	<u>102.85%</u>	<u>95.37%</u>	<u>92.83%</u>	<u>95.21%</u>	<u>93.32%</u>	<u>82.82%</u>
<u>\$ 8,554,316</u>	<u>\$ 9,059,764</u>	<u>\$ 9,207,151</u>	<u>\$ 9,899,308</u>	<u>\$ 10,554,003</u>	<u>\$ 10,602,888</u>	<u>\$ 10,908,696</u>
78.28%	-17.89%	27.54%	38.63%	23.64%	31.46%	72.23%

See accompanying notes to schedules of required supplementary information – pension plan.

COUNTY OF ERIE, PENNSYLVANIA  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN  
SCHEDULE OF COUNTY CONTRIBUTIONS AND INVESTMENT RETURNS  
YEAR ENDED DECEMBER 31, 2021

**County:**

	2021	2020	2019
<b>Schedule of County Contributions</b>			
Actuarially determined contribution	\$ 6,555,075	\$ 6,397,197	\$ 5,773,721
Contributions in relation to the actuarially determined contribution	<u>6,555,075</u>	<u>6,397,197</u>	<u>5,773,721</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 56,533,860</u>	<u>\$ 57,557,509</u>	<u>\$ 52,482,730</u>
Contributions as a percentage of covered payroll	11.59%	11.11%	11.00%

**Investment Returns**

Annual money-weighted rate of return, net of investment expense	13.31%	10.92%	18.09%
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**Blended Component Unit - Pleasant Ridge Manor:**

	2021	2020	2019
<b>Schedule of County Contributions</b>			
Actuarially determined contribution	\$ 736,097	\$ 897,435	\$ 1,035,298
Contributions in relation to the actuarially determined contribution	<u>770,000</u>	<u>1,100,000</u>	<u>1,200,000</u>
Contribution deficiency (excess)	<u>\$ (33,903)</u>	<u>\$ (202,565)</u>	<u>\$ (164,702)</u>
Covered Payroll	<u>\$ 7,340,304</u>	<u>\$ 8,907,286</u>	<u>\$ 8,309,214</u>
Contribution as a percentage of covered payroll	10.49%	12.35%	14.44%

**Investment Returns**

Annual money-weighted rate of return, net of investment expense	13.69%	15.02%	19.91%
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2018	2017	2016	2015	2014	2013	2012
\$ 4,360,594	\$ 4,642,134	\$ 4,321,221	\$ 4,341,227	\$ 5,580,680	\$ 6,812,406	\$ 5,897,793
4,360,594	4,642,134	4,321,221	4,341,227	5,580,680	6,812,406	5,897,793
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 51,001,412</u>	<u>\$ 47,048,703</u>	<u>\$ 47,769,157</u>	<u>\$ 45,950,055</u>	<u>\$ 44,607,295</u>	<u>\$ 43,876,969</u>	<u>\$ 43,276,003</u>
8.55%	9.87%	9.05%	9.45%	12.51%	15.53%	13.63%

-5.47%	13.77%	8.41%	0.27%	6.10%	19.36%	11.36%
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2018	2017	2016	2015	2014	2013	2012
\$ 880,591	\$ 1,661,327	\$ 1,145,083	\$ 1,764,290	\$ 2,046,479	\$ 2,398,123	\$ 1,514,065
1,800,000	1,672,253	1,150,000	2,100,000	2,042,130	2,400,000	1,658,897
<u>\$ (919,409)</u>	<u>\$ (10,926)</u>	<u>\$ (4,917)</u>	<u>\$ (335,710)</u>	<u>\$ 4,349</u>	<u>\$ (1,877)</u>	<u>\$ (144,832)</u>
<u>\$ 8,554,316</u>	<u>\$ 9,059,764</u>	<u>\$ 9,207,151</u>	<u>\$ 9,899,308</u>	<u>\$ 10,554,003</u>	<u>\$ 10,602,888</u>	<u>\$ 10,908,696</u>
21.04%	18.46%	12.49%	21.21%	19.35%	22.64%	15.21%
-5.06%	14.03%	8.98%	0.48%	5.72%	19.85%	10.41%

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION – PENSION PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2021

**County:**

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

Actuarial valuation date	December 31, 2021
Asset valuation method	Fair Market Value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	2022 and after - 3%
Underlying inflation rate	2.25%
Cost-of-living adjustments	None
Mortality table	RP-2000

Benefit Changes

There have been no changes in the Plan benefits since the date of the last report.

Change in Actuarial Assumptions

There have been no changes in actuarial assumptions since the date of the last report.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO SCHEDULES OF REQUIRED  
 SUPPLEMENTARY INFORMATION – PENSION PLAN (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021

**Blended Component Unit – Pleasant Ridge Manor:**

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

Actuarial valuation date	January 1, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Recognition Period
Amortization period	3.01
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	3.00%
Underlying inflation rate	2.00%
Retirement age	Age 60 or 55 with 20 years of service
Mortality Table	2018+ Static Mortality Table for males and females, as published by the Internal Revenue Service

Benefit Change

There were no changes in benefits since the date of the last report.

Change in Actuarial Assumptions

There were no changes in actuarial assumptions since the date of the last report.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
 OTHER POST-EMPLOYMENT BENEFITS PLAN (OPEB)  
 SCHEDULE OF CHANGES IN THE COUNTY'S  
 OPEB LIABILITY AND RELATED RATIOS\*  
 YEAR ENDED DECEMBER 31, 2021

	2021	2020	2019	2018
<b>Total OPEB Liability:</b>				
Service cost	\$ 168,386	\$ 219,877	\$ 151,243	\$ 189,670
Interest	903,953	1,251,336	1,605,854	2,042,799
Differences between expected and actual experience	-	(5,072,344)	-	(9,840,455)
Changes in assumptions	312,744	3,073,261	6,282,000	-
Benefit payments	<u>(2,214,827)</u>	<u>(2,354,113)</u>	<u>(3,147,842)</u>	<u>(3,406,564)</u>
<b>Net Changes in Total OPEB Liability</b>	(829,744)	(2,881,983)	4,891,255	(11,014,550)
<b>Total OPEB Liability - Beginning</b>	<u>43,578,311</u>	<u>46,460,294</u>	<u>41,569,039</u>	<u>52,583,589</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 42,748,567</u>	<u>\$ 43,578,311</u>	<u>\$ 46,460,294</u>	<u>\$ 41,569,039</u>
<b>Covered Employee Payroll</b>	<u>\$ 3,613,253</u>	<u>\$ 3,867,759</u>	<u>\$ 4,712,847</u>	<u>\$ 4,988,547</u>
<b>OPEB Liability as a Percentage of Covered Employee Payroll</b>	1183.10%	1126.71%	985.82%	833.29%

\*The amounts presented for each year were determined as of the year end date. This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the County is presenting information only for the years for which information is available.

COUNTY OF ERIE, PENNSYLVANIA  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST-EMPLOYMENT BENEFITS PLAN (OPEB)  
SCHEDULE OF CHANGES IN THE COUNTY'S  
OPEB LIABILITY AND RELATED RATIOS\*  
BLENDED COMPONENT UNIT – PLEASANT RIDGE MANOR  
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020	2019	2018
<b>Total OPEB Liability:</b>				
Service cost	\$ 92,723	\$ 89,456	\$ 91,218	\$ 94,281
Interest	46,936	76,344	92,176	101,242
Differences between expected and actual experience	160,108	(87,526)	(297,981)	(130,375)
Changes in assumptions	(39,118)	231,516	63,982	61,954
Benefit payments	(282,505)	(152,614)	(120,917)	(124,988)
<b>Net Changes in Total OPEB Liability</b>	(21,856)	157,176	(171,522)	2,114
<b>Total OPEB Liability - Beginning</b>	2,492,228	2,335,052	2,506,574	2,504,460
<b>Total OPEB Liability - Ending</b>	<u>\$ 2,470,372</u>	<u>\$ 2,492,228</u>	<u>\$ 2,335,052</u>	<u>\$ 2,506,574</u>
<b>Covered Employee Payroll</b>	<u>\$ 11,296,571</u>	<u>\$ 13,334,031</u>	<u>\$ 12,259,199</u>	<u>\$ 12,413,990</u>
<b>OPEB Liability as a Percentage of Covered Employee Payroll</b>	21.87%	18.69%	19.05%	20.19%

\*The amounts presented for each year were determined as of the year end date. This schedule is intended to illustrate information for 10 years. However, until a full 10-year trend is compiled, the County is presenting information only for the years for which information is available.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST-EMPLOYMENT BENEFITS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**County:**

The County has no assets accumulated in a trust that meets the criteria defined in paragraph 4 of GASB Statement No. 75 to pay related other post-employment benefits.

**Actuarial Methods and Assumptions Used**

The information presented in the required supplementary post-employment benefits other than pension benefits (OPEB) schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial cost method	Entry Age Normal		
Measurement Date	December 31, 2021		
Healthcare cost trend rates:		UPMC or Highmark	Highmark
		<u>PPO Blue</u>	<u>Freedom Blue</u>
	2019	8.0%	3.0%
	2020	7.0%	3.0%
	2021	6.0%	3.0%
2022 and after	5.0%	3.0%	
Discount rate	2.06% based on the Bond Buyer 20-Bond GO Index		
Mortality rates	RP-2000 Mortality table for men and women, projected to 2021 with Mortality improvement based on Scale AA.		
Retirement age	Age 55		15%
	Age 56-59		3%
	Age 60-61		10%
	Age 62		25%
	Age 63-64		15%
	Age 65		100%

**Changes in Actuarial Assumptions**

- The discount rate was changed from 2.75% to 2.12%.

**Changes in Benefits**

- There were no changes in benefits for the December 31, 2020 valuation.

COUNTY OF ERIE, PENNSYLVANIA  
 NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2021

**Blended Component Unit – Pleasant Ridge Manor:**

PRM has no assets accumulated in a trust that meets the criteria as defined in paragraph 4 of GASB statement No. 75 to pay related other post-employment benefits.

**Actuarial Methods and Assumptions Used**

The information presented in the required supplementary post-employment benefits other than pension benefits (OPEB) schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial valuation date	January 1, 2021
Actuarial cost method	Entry Age Normal
Healthcare cost trend rates	4.00%
Discount rate	2.25%
Turnover	T-5
Retirement age	Assumed ages at retirement have been developed from actual historical experience

**Changes in Actuarial Assumptions**

- Discount rate was updated from 3.26% to 1.93%.

**Changes in Benefits**

- There were no changes in benefits for the January 1, 2021 valuation.

COUNTY OF ERIE, PENNSYLVANIA  
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS

**General Fund**

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, Commonwealth and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund, including operation of general County government, the court system, and corrections.

**Mental Health/Intellectual Disabilities Fund**

This fund administers local agency providers of mental health and intellectual disabilities services. The fund also administers various programs for transportation, adult services, and in-home health.

**Health Choices Fund**

This fund accounts for the medical assistance funding for mental health, drug and alcohol, and children services programs.

**Children and Youth Fund**

This fund accounts for the child protective services, a juvenile detention center, and a juvenile detention shelter.

**Gaming Fund**

This fund is provided by revenue received from the operations of Presque Isle Downs and Casino. \$1 million of the funds received are appropriated for the operation of the Land Bank. Of the remaining funds, 55% of the funds received support regional assets. The remaining 45% is restricted to operating and capital projects for contiguous municipalities that resulted from the operation of the casino. The County remits all restricted gaming funds to the Authority and the Land Bank as soon as they are collected. The Authority and Land Bank allocate these funds based upon their distribution plan.

**ARPA Fund**

This fund accounts for funds received and expended related to the American Rescue Plan Act of 2021.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET TO ACTUAL  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Real estate taxes	\$ 86,049,383	\$ 86,049,383	\$ 87,433,725	\$ 1,384,342
Hotel tax	4,635,168	4,635,168	5,379,769	744,601
Federal, state, and municipal grants	2,976,992	6,221,638	7,065,895	844,257
Charges for services	15,853,093	12,242,769	12,014,269	(228,500)
Interest income	290,000	290,000	85,848	(204,152)
Other income	95,230	97,140	77,819	(19,321)
Total revenues	109,899,866	109,536,098	112,057,325	2,521,227
<b>Expenditures:</b>				
Current:				
General government	24,239,316	21,926,930	20,158,620	1,768,310
Courts and related offices	22,620,844	22,446,320	21,530,640	915,680
Corrections	30,159,535	30,145,925	29,506,424	639,501
Community services	4,998,705	12,443,228	12,619,718	(176,490)
Capital outlay	511,640	665,660	475,217	190,443
Total expenditures	82,530,040	87,628,063	84,290,619	3,337,444
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	27,369,826	21,908,035	27,766,706	5,858,671
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,981,423.00	10,023,423	9,790,225	(233,198)
Transfers out	(30,108,775)	(29,660,545)	(35,739,248)	(6,078,703)
Total other financing sources (uses)	(27,127,352)	(19,637,122)	(25,949,023)	(6,311,901)
<b>Net Change in Fund Balance</b>	242,474	2,270,913	1,817,683	(453,230)
<b>Fund Balance:</b>				
Beginning of year	59,560,692	59,560,692	59,560,692	-
End of year	\$ 59,803,166	\$ 61,831,605	\$ 61,378,375	\$ (453,230)

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET TO ACTUAL  
 MENTAL HEALTH/INTELLECUTAL DISABILITIES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 28,859,171	\$ 57,832,039	\$ 47,637,684	\$ (10,194,355)
Interest income	82,000	82,000	2,097	(79,903)
Other income	21,000	21,000	85,702	64,702
Total revenues	28,962,171	57,935,039	47,725,483	(10,209,556)
<b>Expenditures:</b>				
Current:				
Community services	28,970,988	57,920,039	48,819,407	9,100,632
Capital outlay	15,000	15,000	-	15,000
Total expenditures	28,985,988	57,935,039	48,819,407	9,115,632
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(23,817)	-	(1,093,924)	(1,093,924)
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,140,118	1,190,118	1,093,924	(96,194)
<b>Net Change in Fund Balance</b>	1,116,301	1,190,118	-	(1,190,118)
<b>Fund Balance:</b>				
Beginning of year	-	-	-	-
End of year	\$ 1,116,301	\$ 1,190,118	\$ -	\$ (1,190,118)

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET TO ACTUAL  
 CHILDREN AND YOUTH FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 47,004,281	\$ 47,457,012	\$ 49,329,424	\$ 1,872,412
Charges for services	884,697	884,697	436,663	(448,034)
Interest income	1,600	1,600	2	(1,598)
Other income	50	50	-	(50)
Total revenues	47,890,628	48,343,359	49,766,089	1,422,730
<b>Expenditures:</b>				
Current:				
Corrections	10,271,995	9,527,050	8,786,242	740,808
Community services	47,844,868	49,060,544	51,078,918	(2,018,374)
Capital outlay	145,000	127,000	119,894	7,106
Total expenditures	58,261,863	58,714,594	59,985,054	(1,270,460)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(10,371,235)	(10,371,235)	(10,218,965)	152,270
<b>Other Financing Sources (Uses):</b>				
Transfers in	10,661,635	10,661,635	10,509,365	(152,270)
Transfers out	(290,400)	(290,400)	(290,400)	-
Total other financing sources (uses)	10,371,235	10,371,235	10,218,965	(152,270)
<b>Net Change in Fund Balance</b>	-	-	-	-
<b>Fund Balance:</b>				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET TO ACTUAL  
 GAMING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Charges for services	\$ 13,691,160	\$ 17,383,776	\$ 14,950,971	\$ (2,432,805)
Interest income	7,700	7,700	4,266	(3,434)
Total revenues	13,698,860	17,391,476	14,955,237	(2,436,239)
<b>Expenditures:</b>				
Current:				
Community services	5,515,616	12,671,732	11,502,330	1,169,402
Capital outlay	3,463,500	-	-	-
Total expenditures	8,979,116	12,671,732	11,502,330	1,169,402
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	4,719,744	4,719,744	3,452,907	(3,605,641)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(4,719,744)	(4,719,744)	(4,621,088)	(98,656.0)
<b>Net Change in Fund Balance</b>	-	-	(1,168,181)	(1,168,181)
<b>Fund Balance:</b>				
Beginning of year	9,679,612	9,679,612	9,679,612	-
End of year	<u>\$ 9,679,612</u>	<u>\$ 9,679,612</u>	<u>\$ 8,511,431</u>	<u>\$ (1,168,181)</u>

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET TO ACTUAL  
 HEALTH CHOICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 120,494,768	\$ 121,194,768	\$ 139,348,081	\$ 18,153,313
Interest income	245,191	245,191	4,636	(240,555)
Total revenues	120,739,959	121,439,959	139,352,717	17,912,758
<b>Expenditures:</b>				
Current:				
Community services	120,739,659	121,439,659	137,348,050	(15,908,391)
Capital outlay	300	300	-	300
Total expenditures	120,739,959	121,439,959	137,348,050	(15,908,091)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	-	2,004,667	2,004,667
<b>Net Change in Fund Balance</b>	-	-	2,004,667	2,004,667
<b>Fund Balance:</b>				
Beginning of year	14,104,476	14,104,476	14,104,476	-
End of year	\$ 14,104,476	\$ 14,104,476	\$ 16,109,143	\$ 2,004,667

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE – BUDGET TO ACTUAL  
 ARPA FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ -	\$ 24,358,828	\$ 21,791,116	\$ (2,567,712)
Other	-	38,677	10,752	(27,925)
Total revenues	-	24,397,505	21,801,868	(2,595,637)
<b>Expenditures:</b>				
Current:				
Community services	-	22,243,404	14,699,116	7,544,288
Capital outlay	-	1,954,101	-	1,954,101
Total expenditures	-	24,197,505	14,699,116	9,498,389
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	200,000	7,102,752	6,902,752
<b>Other Financing Sources (Uses):</b>				
Transfers out	-	(200,000)	(7,092,000)	(6,892,000)
Total other financing sources (uses)	-	(200,000)	(7,092,000)	(6,892,000)
<b>Net Change in Fund Balance</b>	-	-	10,752	10,752
<b>Fund Balance:</b>				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ 10,752	\$ 10,752

See accompanying notes to schedules of required supplementary information.

COUNTY OF ERIE, PENNSYLVANIA  
NOTES TO SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021

Budgets and Budgetary Accounting

The County's budget is adopted on the modified accrual basis which is consistent with accounting principles generally accepted in the United States of America.

## **OTHER SUPPLEMENTARY INFORMATION**

COUNTY OF ERIE, PENNSYLVANIA  
NONMAJOR GOVERNMENTAL FUNDS

**Liquid Fuels**

Tax funds received from the Commonwealth are passed through to local municipalities for road and bridge maintenance.

**Domestic Relations**

Title IV-D and incentive payments for child support collection offsetting aid to families with dependent children are matched with County funds to provide for administration of child support and related court orders.

**Drug and Alcohol**

Commonwealth funds are passed through local agency providers for identification and treatment programs.

**Public Health**

Funds provided by Act 315, Act 12, and other grants are used to administer personal health services and other health related programs.

**Library**

Funding comes primarily from the County with additional grants from the Commonwealth and certain local municipalities. Several branch libraries are operated throughout the County and the bookmobile service is also provided.

**Planning**

This fund administers numerous federal grants awarded to the County and/or municipalities of the County.

**Public Safety**

This fund provides consolidated enhanced 911 dispatching funded by telephone surcharge from land lines, wireless and voice over internet protocol, and County tax dollars. Tax dollars and grants from PEMA fund the planning, training, and response to public emergencies, hazardous spills, and terrorist activities.

**Erie County Care Management, Inc. (ECCM)**

ECCM is a blended component unit which provides services to Medicare-eligible clients of the County's Mental Health/Intellectual Disabilities, Drug and Alcohol, and Children and Youth Services.

**Debt Service**

Debt Service Funds are used to account for the accumulation of resources and the payment of principal and interest on the County's outstanding general obligation bond issues.

COUNTY OF ERIE, PENNSYLVANIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021

	Special Revenue Funds				
	Liquid Fuels	Domestic Relations	Drug and Alcohol	Public Health	Library
<b>Assets</b>					
Cash and cash equivalents	\$ 93,484	\$ 174,794	\$ 823,743	\$ 800	\$ 2,379
Investments	-	-	-	-	-
Receivables, net	27	849,267	532,239	3,619,888	6,355
Due from other funds	-	-	-	-	905,144
Prepaid items	-	-	-	3,625	22,907
<b>Total Assets</b>	<b>\$ 93,511</b>	<b>\$ 1,024,061</b>	<b>\$ 1,355,982</b>	<b>\$ 3,624,313</b>	<b>\$ 936,785</b>
<b>Liabilities and Fund Balance</b>					
Liabilities:					
Accounts payable	\$ -	\$ 8,921	\$ 1,052,965	\$ 689,229	\$ 210,386
Accrued liabilities	-	191,192	54,087	231,559	161,146
Due to other funds	-	785,442	248,930	2,582,412	207,439
Due to other taxing units	-	-	-	-	-
Unearned revenue	-	-	-	-	208,830
<b>Total Liabilities</b>	<b>-</b>	<b>985,555</b>	<b>1,355,982</b>	<b>3,503,200</b>	<b>787,801</b>
Fund Balance:					
Nonspendable:					
Prepaid items	-	-	-	3,625	22,907
Restricted for:					
Child support enforcement	-	38,506	-	-	-
Road and bridges improvement	93,511	-	-	-	-
Public health services	-	-	-	117,488	-
Erie County Care Management	-	-	-	-	-
Library services	-	-	-	-	126,077
Emergency services	-	-	-	-	-
Land preservation	-	-	-	-	-
Community redevelopment	-	-	-	-	-
Recycling	-	-	-	-	-
ARPA Program	-	-	-	-	-
Debt payments on general obligation bonds	-	-	-	-	-
<b>Total Fund Balance</b>	<b>93,511</b>	<b>38,506</b>	<b>-</b>	<b>121,113</b>	<b>148,984</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 93,511</b>	<b>\$ 1,024,061</b>	<b>\$ 1,355,982</b>	<b>\$ 3,624,313</b>	<b>\$ 936,785</b>

Special Revenue Funds			Total Special Revenue Funds	Debt Service	Total Nonmajor Governmental Funds
Planning	Public Safety	Erie County Care Management			
\$ 7,328,172	\$ 1,008,765	\$ 13,088,135	\$ 22,520,272	\$ 2,450,735	\$ 24,971,007
-	-	1,133,773	1,133,773	-	1,133,773
825,291	1,517,654	2,020,127	9,370,848	187	9,371,035
17,773	69,545	-	992,462	-	992,462
-	9,077	67,269	102,878	-	102,878
<u>\$ 8,171,236</u>	<u>\$ 2,605,041</u>	<u>\$ 16,309,304</u>	<u>\$ 34,120,233</u>	<u>\$ 2,450,922</u>	<u>\$ 36,571,155</u>
\$ 278,546	\$ 67,504	436,793	\$ 2,744,344	\$ -	\$ 2,744,344
48,772	160,454	8,009,587	8,856,797	-	8,856,797
250,824	231,098	-	4,306,145	-	4,306,145
249,845	-	-	249,845	-	249,845
2,500	-	-	211,330	-	211,330
<u>830,487</u>	<u>459,056</u>	<u>8,446,380</u>	<u>16,368,461</u>	<u>-</u>	<u>16,368,461</u>
-	9,077	67,269	102,878	-	102,878
-	-	-	38,506	-	38,506
5,876,063	-	-	5,969,574	-	5,969,574
-	-	-	117,488	-	117,488
-	-	7,795,655	7,795,655	-	7,795,655
-	-	-	126,077	-	126,077
-	2,136,908	-	2,136,908	-	2,136,908
17,790	-	-	17,790	-	17,790
1,163,814	-	-	1,163,814	-	1,163,814
283,082	-	-	283,082	-	283,082
-	-	-	-	-	-
-	-	-	-	2,450,922	2,450,922
<u>7,340,749</u>	<u>2,145,985</u>	<u>7,862,924</u>	<u>17,751,772</u>	<u>2,450,922</u>	<u>20,202,694</u>
<u>\$ 8,171,236</u>	<u>\$ 2,605,041</u>	<u>\$ 16,309,304</u>	<u>\$ 34,120,233</u>	<u>\$ 2,450,922</u>	<u>\$ 36,571,155</u>

COUNTY OF ERIE, PENNSYLVANIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds				
	Liquid Fuels	Domestic Relations	Drug and Alcohol	Public Health	Library
<b>Revenues:</b>					
Federal, State, and Municipal grants	\$ 633,563	\$ 3,331,864	\$ 6,319,507	\$ 8,005,776	\$ 1,611,865
Charges for services	-	37,325	213,652	641,380	71,818
Interest income	288	244	732	33	-
Other income	-	-	-	418,333	145,396
Total revenues	633,851	3,369,433	6,533,891	9,065,522	1,829,079
<b>Expenditures:</b>					
Current:					
Courts and related offices	-	4,712,945	-	-	-
Community services	-	-	6,815,755	-	-
Public health	-	-	-	11,516,852	-
Public works	763,650	-	-	-	-
Library	-	-	-	-	7,393,229
Other	-	-	-	-	-
Capital outlay	-	-	-	6,109	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	763,650	4,712,945	6,815,755	11,522,961	7,393,229
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(129,799)	(1,343,512)	(281,864)	(2,457,439)	(5,564,150)
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	1,598,200	281,864	2,032,753	5,554,699
Transfers out	-	(243,643)	-	-	-
Total other financing sources (uses)	-	1,354,557	281,864	2,032,753	5,554,699
<b>Net Change in Fund Balance</b>	(129,799)	11,045	-	(424,686)	(9,451)
<b>Fund Balance:</b>					
Beginning of year	223,310	27,461	-	545,799	158,435
End of year	\$ 93,511	\$ 38,506	\$ -	\$ 121,113	\$ 148,984

Special Revenue Funds			Total		Total
Planning	Public Safety	Erie County Care Management	Special Revenue Funds	Debt Service	Nonmajor Governmental Funds
\$ 1,744,151	\$ 137,326	\$ 31,585,519	\$ 53,369,571	\$ -	\$ 53,369,571
1,912,952	5,726,570	2,412,941	11,016,638	-	11,016,638
1,399	-	92,730	95,426	8,225	103,651
-	-	65,989	629,718	-	629,718
3,658,502	5,863,896	34,157,179	65,111,353	8,225	65,119,578
-	-	-	4,712,945	-	4,712,945
2,960,305	5,834,135	32,713,694	48,323,889	-	48,323,889
-	-	-	11,516,852	-	11,516,852
-	-	-	763,650	-	763,650
-	-	-	7,393,229	-	7,393,229
-	-	-	-	3,915	3,915
-	270,531	148,242	424,882	-	424,882
-	-	-	-	7,665,000	7,665,000
-	-	-	-	1,857,541	1,857,541
2,960,305	6,104,666	32,861,936	73,135,447	9,526,456	82,661,903
698,197	(240,770)	1,295,243	(8,024,094)	(9,518,231)	(17,542,325)
567,363	2,862,393	-	12,897,272	9,526,457	22,423,729
-	(2,170,774)	-	(2,414,417)	-	(2,414,417)
567,363	691,619	-	10,482,855	9,526,457	20,009,312
1,265,560	450,849	1,295,243	2,458,761	8,226	2,466,987
6,075,189	1,695,136	6,567,681	15,293,011	2,442,696	17,735,707
<u>\$ 7,340,749</u>	<u>\$ 2,145,985</u>	<u>\$ 7,862,924</u>	<u>\$ 17,751,772</u>	<u>\$ 2,450,922</u>	<u>\$ 20,202,694</u>

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Real estate taxes	\$ 86,049,383	\$ 86,049,383	\$ 87,433,725	\$ 1,384,342
Hotel tax	4,635,168	4,635,168	5,379,769	744,601
Federal, state, and municipal grants	2,976,992	6,221,638	7,065,895	844,257
Charges for services	15,853,093	12,242,769	12,014,269	(228,500)
Interest income	290,000	290,000	85,848	(204,152)
Other income	95,230	97,140	77,819	(19,321)
Total revenues	109,899,866	109,536,098	112,057,325	2,521,227
<b>Expenditures:</b>				
Current:				
General government:				
Council and elections	1,812,356	2,136,929	2,029,776	107,153
Controller	426,996	426,996	420,125	6,871
County executive	292,057	292,057	278,101	13,956
Solicitor	184,464	184,464	183,542	922
Human Resources	496,310	515,968	438,754	77,214
Finance	4,668,544	4,724,346	4,039,392	684,954
Operations	5,277,818	5,362,818	3,806,820	1,555,998
Other	8,832,347	7,396,225	8,141,619	(745,394)
Information Technology	2,248,424	887,127	820,491	66,636
Total general government	24,239,316	21,926,930	20,158,620	1,768,310
Court and related offices:				
Courts	6,016,779	6,029,780	5,545,796	483,984
District justices	3,040,828	3,040,828	2,930,097	110,731
Clerk of records	2,847,320	2,597,320	2,796,963	(199,643)
Sheriff	3,755,362	3,755,362	3,689,487	65,875
District attorney	4,356,428	4,400,605	3,979,572	421,033
Coroner	762,152	762,152	773,567	(11,415)
Public defender	1,841,975	1,860,273	1,815,158	45,115
Total courts and related offices	22,620,844	22,446,320	21,530,640	915,680
Corrections:				
Adult probation	6,676,478	6,702,915	6,467,447	235,468
Corrections	19,975,568	19,935,521	19,653,860	281,661
Juvenile probation	3,507,489	3,507,489	3,385,117	122,372
Total correction	30,159,535	30,145,925	29,506,424	639,501
Community services:				
Veterans affairs	328,379	328,550	305,052	23,498
Economic development	156,981	156,981	544,311	(387,330)
Grants to others	4,513,345	11,957,697	11,770,355	187,342
Total community services	4,998,705	12,443,228	12,619,718	(176,490)
Capital outlay:				
General government	147,000	203,540	117,587	85,953
Courts	195,640	249,380	221,794	27,586
Corrections	169,000	212,740	135,836	76,904
Total capital outlay	511,640	665,660	475,217	190,443
Total expenditures	82,530,040	87,628,063	84,290,619	3,337,444
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	27,369,826	21,908,035	27,766,706	5,858,671
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,981,423	10,023,423	9,790,225	233,198
Transfers out	(30,108,775)	(29,660,545)	(35,739,248)	6,078,703
Total other financing sources (uses)	(27,127,352)	(19,637,122)	(25,949,023)	6,311,901
<b>Net Change in Fund Balance</b>	242,474	2,270,913	1,817,683	(453,230)
<b>Fund Balance:</b>				
Beginning of year	59,560,692	59,560,692	59,560,692	-
End of year	\$ 59,803,166	\$ 61,831,605	\$ 61,378,375	\$ (453,230)

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 LIQUID FUELS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 720,000	\$ 720,000	\$ 633,563	\$ (86,437)
Interest income	3,500	3,500	288	(3,212)
Total revenues	723,500	723,500	633,851	(89,649)
<b>Expenditures:</b>				
Current:				
Public works	923,500	923,500	763,650	159,850
Total expenditures	923,500	923,500	763,650	159,850
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(200,000)	(200,000)	(129,799)	70,201
<b>Net Change in Fund Balance</b>	(200,000)	(200,000)	(129,799)	70,201
<b>Fund Balance:</b>				
Beginning of year	223,310	223,310	223,310	-
End of year	\$ 23,310	\$ 23,310	\$ 93,511	\$ 70,201

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 DOMESTIC RELATIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 3,714,502	\$ 3,714,502	\$ 3,331,864	\$ (382,638)
Charges for services	41,500	41,500	37,325	(4,175)
Interest income	700	700	244	(456)
Total revenues	3,756,702	3,756,702	3,369,433	(387,269)
<b>Expenditures:</b>				
Current:				
Courts and related office	5,178,877	5,178,877	4,712,945	465,932
Total expenditures	5,178,877	5,178,877	4,712,945	465,932
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,422,175)	(1,422,175)	(1,343,512)	78,663
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,675,361	1,675,361	1,598,200	77,161
Transfers out	(253,186)	(253,186)	(243,643)	(9,543)
Total other financing sources (uses)	1,422,175	1,422,175	1,354,557	(67,618)
<b>Net Change in Fund Balance</b>	-	-	11,045	11,045
<b>Fund Balance:</b>				
Beginning of year	27,461	27,461	27,461	-
End of year	\$ 27,461	\$ 27,461	\$ 38,506	\$ 11,045

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 DRUG AND ALCOHOL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 6,160,143	\$ 6,160,143	\$ 6,319,507	\$ 159,364
Charges for services	250,000	250,000	213,652	(36,348)
Interest income	2,100	2,100	732	(1,368)
Total revenues	6,412,243	6,412,243	6,533,891	121,648
<b>Expenditures:</b>				
Current:				
Community services	6,678,937	6,690,887	6,815,755	(124,868)
Capital	15,170	3,220	-	3,220
Total expenditures	6,694,107	6,694,107	6,815,755	(121,648)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(281,864)	(281,864)	(281,864)	-
<b>Other Financing Sources (Uses):</b>				
Transfers in	281,864	281,864	281,864	-
Total other financing sources (uses)	281,864	281,864	281,864	-
<b>Net Change in Fund Balance</b>	-	-	-	-
<b>Fund Balance:</b>				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 PUBLIC HEALTH FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 9,646,202	\$12,508,288	\$ 8,005,776	\$ (4,502,512)
Charges for services	644,200	644,200	641,380	(2,820)
Interest income	2,100	2,100	33	(2,067)
Other	1,257,275	1,784,775	418,333	(1,366,442)
Total revenues	11,549,777	14,939,363	9,065,522	(5,873,841)
<b>Expenditures:</b>				
Current:				
Public health	13,335,795	16,729,520	11,516,852	5,212,668
Capital outlay	6,770	6,770	6,109	661
Total expenditures	13,342,565	16,736,290	11,522,961	5,213,329
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,792,788)	(1,796,927)	(2,457,439)	(660,512)
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,792,788	1,792,788	2,032,753	239,965
<b>Net Change in Fund Balance</b>	-	(4,139)	(424,686)	(420,547)
<b>Fund Balance:</b>				
Beginning of year	545,799	545,799	545,799	-
End of year	\$ 545,799	\$ 541,660	\$ 121,113	\$ (420,547)

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 LIBRARY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 1,540,986	\$ 1,688,695	\$ 1,611,865	\$ (76,830)
Charges for services	125,100	125,100	71,818	(53,282)
Other	112,277	151,617	145,396	(6,221)
Total revenues	1,778,363	1,965,412	1,829,079	(136,333)
<b>Expenditures:</b>				
Current:				
Library	7,557,878	7,882,665	7,393,229	489,436
Total expenditures	7,557,878	7,882,665	7,393,229	489,436
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(5,779,515)	(5,917,253)	(5,564,150)	353,103
<b>Other Financing Sources (Uses):</b>				
Transfers in	5,779,515	5,906,732	5,554,699	(352,033)
<b>Net Change in Fund Balance</b>	-	(10,521)	(9,451)	1,070
<b>Fund Balance:</b>				
Beginning of year	158,435	158,435	158,435	-
End of year	\$ 158,435	\$ 147,914	\$ 148,984	\$ 1,070

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 PLANNING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 3,330,876	\$ 3,418,215	\$ 1,744,151	\$ (1,674,064)
Charges for services	2,209,385	2,209,385	1,912,952	(296,433)
Interest income	72,700	72,700	1,399	(71,301)
Other	116,460	116,460	-	(116,460)
Total revenues	5,729,421	5,816,760	3,658,502	(2,158,258)
<b>Expenditures:</b>				
Current:				
Community services	7,754,493	8,058,116	2,960,305	5,097,811
Total expenditures	7,754,493	8,058,116	2,960,305	5,097,811
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(2,025,072)	(2,241,356)	698,197	2,939,553
<b>Other Financing Sources (Uses):</b>				
Transfers in	754,472	970,756	567,363	(403,393)
Total other financing sources (uses)	754,472	970,756	567,363	(403,393)
<b>Net Change in Fund Balance</b>	(1,270,600)	(1,270,600)	1,265,560	2,536,160
<b>Fund Balance:</b>				
Beginning of year	6,075,189	6,075,189	6,075,189	-
End of year	\$ 4,804,589	\$ 4,804,589	\$ 7,340,749	\$ 2,536,160

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 PUBLIC SAFETY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 112,931	\$ 112,931	\$ 137,326	\$ 24,395
Charges for services	5,476,501	5,476,501	5,726,570	250,069
Other	8,000	8,000	-	(8,000)
Total revenues	5,597,432	5,597,432	5,863,896	266,464
<b>Expenditures:</b>				
Current:				
Community services	6,992,666	6,992,666	5,834,135	1,158,531
Capital outlay	250,000	250,000	270,531	(20,531)
Total expenditures	7,242,666	7,242,666	6,104,666	1,138,000
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,645,234)	(1,645,234)	(240,770)	1,404,464
<b>Other Financing Sources (Uses):</b>				
Transfers in	3,071,242	3,071,242	2,862,393	208,849
Transfers out	(2,170,774)	(2,170,774)	(2,170,774)	-
Total other financing sources (uses)	900,468	900,468	691,619	(208,849)
<b>Net Change in Fund Balance</b>	(744,766)	(744,766)	450,849	1,195,615
<b>Fund Balance:</b>				
Beginning of year	1,695,136	1,695,136	1,695,136	-
End of year	\$ 950,370	\$ 950,370	\$ 2,145,985	\$ 1,195,615

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 ERIE COUNTY CARE MANAGEMENT, INC. FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Federal, state, and municipal grants	\$ 13,805,265	\$ 13,805,265	\$ 31,585,519	\$ 17,780,254
Charges for services	743,722	743,722	2,412,941	1,669,219
Interest	-	-	92,730	92,730
Other	-	-	65,989	65,989
Total revenues	14,548,987	14,548,987	34,157,179	19,608,192
<b>Expenditures:</b>				
Current:				
Community services	16,285,999	16,285,999	32,713,694	(16,427,695)
Capital outlay	174,956	174,956	148,242	26,714
Total expenditures	16,460,955	16,460,955	32,861,936	(16,400,981)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,911,968)	(1,911,968)	1,295,243	3,207,211
<b>Net Change in Fund Balance</b>	(1,911,968)	(1,911,968)	1,295,243	3,207,211
<b>Fund Balance:</b>				
Beginning of year	6,567,681	6,567,681	6,567,681	-
End of year	\$ 4,655,713	\$ 4,655,713	\$ 7,862,924	\$ 3,207,211

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 DEBT SERVICE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Interest	\$ 16,831	\$ 16,831	\$ 8,225	\$ (8,606)
<b>Expenditures:</b>				
Current:				
Other	3,915	3,915	3,915	-
Debt service:				
Principal	7,665,000	7,665,000	7,665,000	-
Interest	1,857,541	1,857,542	1,857,541	1
Total expenditures	9,526,456	9,526,457	9,526,456	1
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(9,509,625)	(9,509,626)	(9,518,231)	(8,605)
<b>Other Financing Sources (Uses):</b>				
Transfers in	9,526,457	9,526,457	9,526,457	-
Total other financing sources (uses)	9,526,457	9,526,457	9,526,457	-
<b>Net Change in Fund Balance</b>	16,832	16,831	8,226	(8,605)
<b>Fund Balance:</b>				
Beginning of year	2,442,696	2,442,696	2,442,696	-
End of year	\$ 2,459,528	\$ 2,459,527	\$ 2,450,922	\$ (8,605)

COUNTY OF ERIE, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 443,449	\$ 443,449
Interest income	-	-	6,169	6,169
Total revenues	-	-	449,618	449,618
<b>Expenditures:</b>				
Capital outlay	-	565,000	154,830	410,170
Total expenditures	-	565,000	154,830	410,170
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(565,000)	294,788	859,788
<b>Other Financing Services (uses):</b>				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<b>Net Change in Fund Balance</b>	-	(565,000)	294,788	859,788
<b>Fund Balance:</b>				
Beginning of year	3,452,850	3,452,850	3,452,850	-
End of year	<u>\$ 3,452,850</u>	<u>\$ 2,887,850</u>	<u>\$ 3,747,638</u>	<u>\$ 859,788</u>

COUNTY OF ERIE, PENNSYLVANIA  
FIDUCIARY FUNDS

**Tax Claim**

Real estate taxes are collected by independent-elected tax collectors during the year in which they were levied by the various taxing authorities within the County. Taxes not collected are returned to the Tax Claim Bureau, which provides collection of delinquent county, municipal, and school district taxes, and outstanding costs, as well as disbursing the money received to appropriate taxing authorities. The Tax Claim Bureau is also responsible for filing liens for delinquent taxes of two or more years according to law.

**Revenue Licenses**

Proceeds from the sale of hunting, fishing, dog, and bingo licenses are deposited into the State Fund and are remitted to various governmental units including the General Fund. Proceeds from the sale of temporary automobile licenses are deposited to the Temporary Automobile License Fund and remitted to the Commonwealth, with the County retaining a commission on each license sold.

**Recorder of Deeds**

Maintains legal records for all real estate. Recording fees and transfer taxes are collected and remitted to various governmental units. These accounts are maintained by staff under the Clerk of Records.

**Clerk of Courts**

Maintains all records, files, and decisions of the Criminal Courts, Domestic Relations, Coroner, and Juvenile Proceedings. Fines, fees, and cash bail are collected and ultimately remitted to the payer and/or various governmental units. These accounts are maintained by staff under the Clerk of Records.

**Register of Wills**

Maintains records regarding wills and other matters presented to the Orphan's Court. Acts as agent for the Commonwealth for collecting inheritance taxes, appointing executors and administering estates, maintaining adoption records, and marriage licenses. Money is received as fees, inheritance taxes, and unclaimed estates. Disbursements are made for various costs and remittances to the Commonwealth. These accounts are maintained by the staff under the Clerk of Records.

**Prothonotary**

Maintains all records on civil matters such as suits, judgments, liens, charters, appeals, searches, and certificates. Fees and court-ordered amounts are collected and subsequently disbursed to the Commonwealth and third parties. These accounts are maintained by staff under the Clerk of Records.

**Sheriff**

Carries out the orders of the Civil and Criminal Courts. Responsible for delivering convicted persons to various criminal institutions. Collects proceeds for real estate sales, fines, and fees which are remitted to financial institutions, taxing authorities, and other governmental units. These accounts are maintained by staff under the Sheriff.

**Prison, Commissary, Inmate, and Work Release**

The Prison Inmate Account receives prisoners' cash upon entry into the prison and disburses the cash according to prisoner directives. The prisoners' cash is returned upon discharge. The prison Commissary Account receives cash from the Prison Inmate Account to pay for prisoners' purchases from the Commissary. The Prison Inmate Account purchases Commissary inventory and supplies for prisoners. The Work Release Account receives paychecks from the work release program. Paychecks are used to cover costs such as room and board, fines, and support. If funds are available after these deductions, the balance is returned to the defendant.

COUNTY OF ERIE, PENNSYLVANIA  
FIDUCIARY FUNDS (CONTINUED)

**Magisterial District Judges**

Magisterial District Court Accounts receive cash from defendants and distribute it to State, Municipalities, constable fees, and victims of crimes. The accounts are maintained by the District Judges.

**Children and Youth**

Child Trust – Receives Social Security income payments for children in the Children and Youth Program. Individual accounts are maintained for each child. Payments are made for personal care expenses in accordance with the Commonwealth and federal regulations.

**Domestic Relations**

Child Support – Support accounts receive cash from defendants under Court order and disburse the cash to the designated party: either the Commonwealth or the Plaintiff. These accounts are maintained by Domestic Relations personnel responsible to the Judges of the Court of Common Pleas.

**Act 101 Site-Specific Post-Closure**

Trust set up to assure funds are available for any remedial measures and emergency actions which may become necessary to prevent or abate effects upon the environment after closure of Lakeview Landfill.

**Client Funds Held by Erie County Care Management (ECCM)**

Accounts for funds which belong to ECCM's clients. Receives Social Security income payments for clients and assists clients in managing the use of funds.

**Resident Funds Held by Pleasant Ridge Manor (PRM)**

Accounts for funds which belong to PRM residents. Receives Social Security income payments for residents and assists residents in managing the use of funds.

**Erie County Employees' Pension Plan**

Established to provide retirement, disability, and death benefits to eligible retirees of the County.

**Pleasant Ridge Manor Pension Plan**

Established to provide retirement, disability, and death benefits to eligible retirees of Pleasant Ridge Manor.

COUNTY OF ERIE, PENNSYLVANIA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 DECEMBER 31, 2021

	Tax Claim	State License and Fees	Recorder of Deeds	Clerk of Courts Criminal Fees	Register of Wills	Prothonotary Civil Fees
<b>Assets</b>						
Cash and pooled investments	\$ 1,543,732	\$ 5,230	\$ 1,295,684	\$ 880,926	\$ 56,110	\$ 430,058
Due from other governments	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Taxes receivable for other governments	10,399,103	-	-	-	-	-
<b>Total Assets</b>	<b>11,942,835</b>	<b>5,230</b>	<b>1,295,684</b>	<b>880,926</b>	<b>56,110</b>	<b>430,058</b>
<b>Liabilities</b>						
Accounts payable	1,546,043	-		432,376	5,659	57,080
Salaries payable		-	-	-	-	-
Due to other governments	10,399,103	3,436			-	-
Due to others						
<b>Total Liabilities</b>	<b>11,945,146</b>	<b>3,436</b>	<b>-</b>	<b>432,376</b>	<b>5,659</b>	<b>57,080</b>
<b>Net Position</b>						
Restricted for:						
Individuals, organizations, other governments	<u>\$ (2,311)</u>	<u>\$ 1,794</u>	<u>\$ 1,295,684</u>	<u>\$ 448,550</u>	<u>\$ 50,451</u>	<u>\$ 372,978</u>

<u>Sheriff Real</u> <u>Estate&amp;Training</u>	<u>Prison</u> <u>Combined</u>	<u>MDJS</u> <u>Combined</u>	<u>OCY</u> <u>Trust</u>	<u>Domestic</u> <u>Relations</u>	<u>ACT 101</u> <u>Site Closure</u>	<u>ECCM</u> <u>Client Funds</u>	<u>PRM</u> <u>Client Funds</u>	<u>Total</u> <u>Custodial</u> <u>Funds</u>
\$ 314,591	\$ 374,952	\$ 210,297	\$ 5,690	\$ 25,212	\$ 77,237	\$ 751,506	\$ 554,213	\$ 6,525,438
-		-	-	-	2,100,392	-	-	2,100,392
		-	-	-	-	-	-	-
-		-	-	-	-	-	-	10,399,103
<u>314,591</u>	<u>374,952</u>	<u>210,297</u>	<u>5,690</u>	<u>25,212</u>	<u>2,177,629</u>	<u>751,506</u>	<u>554,213</u>	<u>19,024,933</u>
194,238	109,198	150,257	-	10,478	-	-	-	2,505,329
-		-	-	-	-	-	-	-
		-	-	-	-	-	-	10,402,539
		-	-	-	-	-	-	-
<u>194,238</u>	<u>109,198</u>	<u>150,257</u>	<u>-</u>	<u>10,478</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,907,868</u>
<u>\$ 120,353</u>	<u>\$ 265,754</u>	<u>\$ 60,040</u>	<u>\$ 5,690</u>	<u>\$ 14,734</u>	<u>\$ 2,177,629</u>	<u>\$ 751,506</u>	<u>\$ 554,213</u>	<u>\$ 6,117,065</u>

COUNTY OF ERIE, PENNSYLVANIA  
 COMBINING STATEMENT OF CHANGES  
 IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Tax Claim	State License and Fees	Recorder of Deeds	Clerk of Courts Criminal Fees	Register of Wills	Prothonotary Civil Fees
<b>Additions</b>						
Property tax collected for other governments	\$ 54,532,212	\$ -	\$ -	\$ -	\$ -	\$ -
Realty tax collected for other governments	-	-	7,431,215	-	-	-
Inheritance tax collected for other governments	-	-	-	-	21,461,038	-
Fees collected for other governments	-	254,413	23,747,523	5,194,975	748,676	-
Investment earnings	-	-	-	-	-	-
Patient income (PRM & ECCM)	-	-	-	-	-	-
Inmate account collections	-	-	-	-	-	-
Collections for support	-	-	-	-	-	-
Fees and fines collected - other	-	-	-	160,342	-	1,030,750
<b>Total Additions</b>	<u>54,532,212</u>	<u>254,413</u>	<u>31,178,738</u>	<u>5,355,317</u>	<u>22,209,714</u>	<u>1,030,750</u>
<b>Deductions</b>						
Property tax collections to other governments	54,539,746	-	-	-	-	-
Realty tax collections to other governments	-	-	7,534,968	-	-	-
Inheritance tax collected to other governments	-	-	-	-	21,461,038	-
Fees collected to other governments	-	254,977	23,288,447	5,040,934	742,395	-
Net decrease in fair value of Investments	-	-	-	-	-	-
Sheriff sales (real estate) disbursed	-	-	-	-	-	-
Patient expense (PRM & ECCM)	-	-	-	-	-	-
Inmate disbursements	-	-	-	-	-	-
Support payments	-	-	-	-	-	-
Payments to other entities	-	-	-	161,450	-	1,029,951
<b>Total Deductions</b>	<u>54,539,746</u>	<u>254,977</u>	<u>30,823,415</u>	<u>5,202,384</u>	<u>22,203,433</u>	<u>1,029,951</u>
<b>Change in net position</b>	(7,534)	(564)	355,323	152,933	6,281	799
<b>Net Position – Beginning of Year</b>	<u>5,223</u>	<u>2,358</u>	<u>940,361</u>	<u>295,617</u>	<u>44,170</u>	<u>372,179</u>
<b>Net Position – End of Year</b>	<u>\$ (2,311)</u>	<u>\$ 1,794</u>	<u>\$ 1,295,684</u>	<u>\$ 448,550</u>	<u>\$ 50,451</u>	<u>\$ 372,978</u>

Sheriff Real Estate&Training	Prison Combined	MDJs Combined	OCY Trust	Domestic Relations	ACT 102 Site Closure	ECCM Client Funds	PRM Client Funds	Total Custodial Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,532,212
-	-	-	-	-	-	-	-	7,431,215
-	-	-	-	-	-	-	-	21,461,038
2,053,750	-	5,897,298	-	57,182	-	-	-	37,953,817
-	-	-	-	-	44,358	-	-	44,358
-	-	-	-	-	-	3,492,109	2,439,989	5,932,098
-	1,527,839	-	-	-	-	-	-	1,527,839
-	-	-	-	736,480	-	-	-	736,480
54,087	-	-	-	-	-	-	-	1,245,179
2,107,837	1,527,839	5,897,298	-	793,662	44,358	3,492,109	2,439,989	130,864,236
-	-	-	-	-	-	-	-	54,539,746
-	-	-	-	-	-	-	-	7,534,968
-	-	-	-	-	-	-	-	21,461,038
45,340	-	5,890,172	-	59,346	-	-	-	35,321,611
-	-	-	-	-	80,387	-	-	80,387
1,957,035	-	-	-	-	-	-	-	1,957,035
-	-	-	-	-	-	3,618,819	2,396,950	6,015,769
-	1,267,190	-	-	-	-	-	-	1,267,190
-	-	-	-	723,494	-	-	-	723,494
-	-	-	-	-	-	-	-	1,191,401
2,002,375	1,267,190	5,890,172	-	782,840	80,387	3,618,819	2,396,950	130,092,639
105,462	260,649	7,126	-	10,822	(36,029)	(126,710)	43,039	771,597
14,891	5,105	52,914	5,690	3,912	2,213,658	878,216	511,174	5,345,468
\$ 120,353	\$ 265,754	\$ 60,040	\$ 5,690	\$ 14,734	\$ 2,177,629	\$ 751,506	\$ 554,213	\$ 6,117,065

COUNTY OF ERIE, PENNSYLVANIA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 PENSION PLANS  
 DECEMBER 31, 2021

	County Employees Pension Trust Fund	Pleasant Ridge Manor Pension Trust Fund	Total Pension Trust Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 4,568,861	\$ 1,529,834	\$ 6,098,695
Investments:			
U.S. governmental obligations	32,083,960	6,854,314	38,938,274
Corporate debt obligations	26,461,088	13,573,344	40,034,432
Other fixed income	1,970,130	-	1,970,130
Mutual funds - fixed income	33,584,766	55,747,966	89,332,732
Mutual funds - equity	130,696,310	-	130,696,310
Property trusts	24,029,054	-	24,029,054
Private equity	24,120,613	-	24,120,613
Exchange traded funds	4,421,770	-	4,421,770
Domestic equities	50,335,519	-	50,335,519
 Total investments	 327,703,210	 76,175,624	 403,878,834
Receivables:			
Contribution receivable	-	92,847	92,847
Interest and other receivables	420,957	141,398	562,355
 Total receivables	 420,957	 234,245	 655,202
 <b>Total Assets</b>	 <b>\$ 332,693,028</b>	 <b>\$ 77,939,703</b>	 <b>\$410,632,731</b>
<b>Net Position</b>			
Restricted for:			
Pension benefits	\$ 332,693,028	\$ 77,939,703	\$410,632,731
 <b>Total Net Pension</b>	 <b>\$ 332,693,028</b>	 <b>\$ 77,939,703</b>	 <b>\$410,632,731</b>

COUNTY OF ERIE, PENNSYLVANIA  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 PENSION PLANS  
 FOR THE YEAR ENDED DECEMBER 31, 2021

	County Employees Pension Trust Fund	Pleasant Ridge Manor Pension Trust Fund	Total Pension Trust Funds
<b>Additions:</b>			
Contributions:			
Employee	\$ 6,555,075	\$ 770,000	\$ 7,325,075
Employer	4,461,449	778,062	5,239,511
	<u>11,016,524</u>	<u>1,548,062</u>	<u>12,564,586</u>
Total contributions			
	<u>11,016,524</u>	<u>1,548,062</u>	<u>12,564,586</u>
Investment income:			
Net appreciation in fair value of investments	30,687,879	6,919,189	37,607,068
Interest and dividends	9,416,640	2,673,270	12,089,910
	<u>40,104,519</u>	<u>9,592,459</u>	<u>49,696,978</u>
Total investment income			
	<u>40,104,519</u>	<u>9,592,459</u>	<u>49,696,978</u>
Less investment expense	518,292	75,287	593,579
	<u>39,586,227</u>	<u>9,517,172</u>	<u>49,103,399</u>
Net investment income			
	<u>39,586,227</u>	<u>9,517,172</u>	<u>49,103,399</u>
Total additions	<u>50,602,751</u>	<u>11,065,234</u>	<u>61,667,985</u>
<b>Deductions:</b>			
Pension benefits and refunds	19,226,098	3,729,440	22,955,538
Administrative expense	246,519	49,359	295,878
	<u>19,472,617</u>	<u>3,778,799</u>	<u>23,251,416</u>
Total deductions			
	<u>19,472,617</u>	<u>3,778,799</u>	<u>23,251,416</u>
<b>Change in Net Position</b>	31,130,134	7,286,435	38,416,569
Net Position, Beginning of year	301,562,894	70,653,268	372,216,162
	<u>301,562,894</u>	<u>70,653,268</u>	<u>372,216,162</u>
Net Position, End of year	<u>\$ 332,693,028</u>	<u>\$ 77,939,703</u>	<u>\$ 410,632,731</u>

**CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS**

COUNTY OF ERIE, PENNSYLVANIA  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE OF FUNCTION AND ACTIVITY  
 FOR THE YEAR ENDED DECEMBER 31, 2021

<b>Function and Activity</b>	Land	Buildings and Improvements	Vehicles, Furniture, and Equipment	Total
General government	\$ 386,908	\$ 24,638,204	\$ 2,915,459	\$ 27,940,571
Courts and related offices	-	2,655,280	2,663,032	5,318,312
Corrections	284,420	32,324,572	1,189,817	33,798,809
Community services	301,797	17,816,284	22,055,159	40,173,240
Public health	-	841,701	596,543	1,438,244
Library	528,112	17,513,364	1,427,500	19,468,976
Total governmental funds capital assets	<u>\$ 1,501,237</u>	<u>\$ 95,789,405</u>	<u>\$ 30,847,510</u>	<u>\$ 128,138,152</u>

COUNTY OF ERIE, PENNSYLVANIA  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
 FOR THE YEAR ENDED DECEMBER 31, 2021

<b>Function and Activity</b>	Governmental Funds			Governmental Funds	
	Capital Assets January 1, 2021	Additions	Deduction/ Transfer	Capital Assets December 31, 2021	
General government	\$ 27,548,730	\$ 22,350	\$ 369,491	\$ 27,940,571	
Courts and related offices	5,589,369	272,618	(543,675)	5,318,312	
Corrections	33,627,674	173,231	(2,096)	33,798,809	
Community services	41,979,136	485,183	(2,291,079)	40,173,240	
Public health	1,438,435	263,849	(264,040)	1,438,244	
Library	19,643,067	33,754	(207,845)	19,468,976	
Total governmental funds capital assets	<u>\$ 129,826,411</u>	<u>\$ 1,250,985</u>	<u>\$ (2,939,244)</u>	<u>\$ 128,138,152</u>	

COUNTY OF ERIE, PENNSYLVANIA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF ASSETS BY SOURCE  
FOR THE YEAR ENDED DECEMBER 31, 2021

## Governmental funds capital assets:

Land	\$ 1,501,237
Buildings and improvements	95,789,405
Vehicles, furniture, and equipment	<u>30,847,510</u>
	<u>\$ 128,138,152</u>

## Investment in governmental funds capital assets by source:

General Fund	\$ 65,054,372
Special Revenue Funds	<u>63,083,780</u>
	<u>\$ 128,138,152</u>

# STATISTICAL SECTION

This section of the County of Erie's (County) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	162
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the County's most significant local revenue sources, the property tax, and earned income tax.	175
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	184
<b>Demographic and Economic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.	192
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs	195

## **FINANCIAL TRENDS**

COUNTY OF ERIE, PENNSYLVANIA  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019	2018
Governmental activities:				
Net investment in capital assets	\$ 1,664,821	\$ 2,028,339	\$ 2,564,940	\$ 4,471,289
Restricted	55,319,147	51,891,172	42,094,318	37,840,668
Unrestricted	(6,483,543)	(11,112,606)	(26,339,655)	(20,510,725)
<i>Total Governmental Activities Net Position</i>	<u>\$ 50,500,425</u>	<u>\$42,806,905</u>	<u>\$18,319,603</u>	<u>\$ 21,801,232</u>
Business-type Activities:				
Net investment in capital assets	\$ 4,784,693	\$ 5,358,191	\$ 5,595,767	\$ 5,495,208
Restricted	-	-	-	-
Unrestricted	6,383,573	532,736	1,297,500	283,771
<i>Total Business-type Activities Net Position</i>	<u>\$ 11,168,266</u>	<u>\$ 5,890,927</u>	<u>\$ 6,893,267</u>	<u>\$ 5,778,979</u>
Primary Government:				
Net investment in capital assets	\$ 6,449,514	\$ 7,386,530	\$ 8,160,707	\$ 9,966,497
Restricted	55,319,147	51,891,172	42,094,318	37,840,668
Unrestricted	(99,970)	(10,579,870)	(25,042,155)	(20,226,954)
<i>Total Primary Government Net Position</i>	<u>\$ 61,668,691</u>	<u>\$48,697,832</u>	<u>\$25,212,870</u>	<u>\$ 27,580,211</u>

Notes:

1. This Schedule is being prepared prospectively in accordance with GASB Statement No. 63.
2. The County Nursing Home became a blended component unit due to the adoption of GASB Statement No. 61 in 2013.
3. GASB Statement No. 68 was adopted in 2015; prior year amounts were not restated.
4. GASB Statement No. 75 was adopted in 2018; prior year amounts were not restated.

2017	2016	2015	2014	2013	2012
\$ 1,661,625	\$ 1,908,369	\$ 122,636	\$ 986,225	\$ 3,234,228	\$ 13,180,233
37,967,000	34,865,893	31,903,417	34,708,680	37,919,072	38,896,823
6,397,161	2,161,705	(1,130,226)	(2,110,809)	(8,005,536)	(13,666,489)
<u>\$ 46,025,786</u>	<u>\$ 38,935,967</u>	<u>\$ 30,895,827</u>	<u>\$ 33,584,096</u>	<u>\$ 33,147,764</u>	<u>\$ 38,410,567</u>
\$ 5,520,382	\$ 5,537,475	\$ 5,697,500	\$ 4,430,807	\$ 4,628,713	\$ 4,521,981
1,620,998	-	-	-	-	-
1,861,949	1,923,502	1,744,693	3,634,846	3,986,428	3,775,351
<u>\$ 9,003,329</u>	<u>\$ 7,460,977</u>	<u>\$ 7,442,193</u>	<u>\$ 8,065,653</u>	<u>\$ 8,615,141</u>	<u>\$ 8,297,332</u>
\$ 7,182,007	\$ 7,445,844	\$ 5,820,136	\$ 5,417,032	\$ 7,862,941	\$ 17,702,214
39,587,998	34,865,893	31,903,417	34,708,680	37,919,072	38,896,823
8,259,110	4,085,207	614,467	1,524,037	(4,019,108)	(9,891,138)
<u>\$ 55,029,115</u>	<u>\$ 46,396,944</u>	<u>\$ 38,338,020</u>	<u>\$ 41,649,749</u>	<u>\$ 41,762,905</u>	<u>\$ 46,707,899</u>

COUNTY OF ERIE, PENNSYLVANIA  
CHANGES IN NET POSITION  
LAST TEN YEARS  
ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019
<b>Expenses:</b>			
Governmental Activities:			
General government	\$ 19,938,695	\$ 17,346,167	\$ 25,307,026
Courts and related offices	26,669,256	24,553,399	27,732,729
Corrections	39,338,013	32,183,720	41,774,172
Community services	329,299,977	257,846,124	225,249,185
Public health	11,569,053	8,331,574	8,455,125
Public works	763,650	878,173	773,450
Library	8,038,316	7,071,786	8,692,756
Other	-	-	-
Interest on long-term debt	957,657	1,265,428	1,539,182
<i>Total governmental activities expenses</i>	<u>\$ 436,574,617</u>	<u>\$ 349,476,371</u>	<u>\$ 339,523,625</u>
Business-type Activities - County owned long-term care facility	<u>23,421,207</u>	<u>29,160,142</u>	<u>29,662,524</u>
<i>Total primary government expenses</i>	<u>\$ 459,995,824</u>	<u>\$ 378,636,513</u>	<u>\$ 369,186,149</u>
<b>Program Revenues:</b>			
Governmental Activities:			
Charges for services:			
General government	\$ 3,651,579	\$ 4,354,969	\$ 3,497,650
Courts and related offices	5,696,011	5,403,415	5,896,806
Corrections	2,642,200	2,276,472	2,743,508
Community services	26,159,002	21,787,835	21,235,896
Public health	641,380	583,526	658,597
Library	71,818	59,637	167,509
Operating grants and contributions			
General government	155,703	1,529,617	24,870
Courts and related offices	4,197,868	4,247,014	4,024,538
Corrections	7,242,413	6,649,547	7,873,141
Community services	296,694,583	230,210,939	193,074,180
Public health	8,005,776	5,535,856	4,577,112
Public works	633,563	631,568	727,014
Library	1,611,865	1,493,343	1,460,079
Capital grants and contributions	-	-	323,842
<i>Total governmental activities program revenues</i>	<u>\$ 357,403,761</u>	<u>\$ 284,763,738</u>	<u>\$ 246,284,742</u>

2018	2017	2016	2015	2014	2013	2012
\$ 25,485,295	\$ 19,180,125	\$ 19,517,085	\$ 18,732,488	\$ 18,616,773	\$ 19,301,658	\$ 19,440,061
22,120,248	24,130,260	24,271,000	24,332,032	23,407,171	22,601,628	22,589,810
35,724,645	36,230,828	38,001,072	37,881,454	37,375,459	36,187,277	38,332,786
230,276,529	227,832,836	212,364,229	197,977,072	194,194,242	195,535,908	203,151,167
6,118,642	6,356,549	6,594,855	6,180,815	5,659,096	6,244,253	6,850,696
726,950	724,320	717,491	758,402	650,069	696,221	685,428
5,024,086	7,903,715	6,878,988	7,765,253	7,063,666	6,910,165	7,005,236
-	3,915	9,081	8,344	8,264	-	-
1,822,965	2,617,700	2,752,117	2,504,632	2,459,814	3,453,834	3,782,732
<u>\$ 327,299,360</u>	<u>\$ 324,980,248</u>	<u>\$ 311,105,918</u>	<u>\$ 296,140,492</u>	<u>\$ 289,434,554</u>	<u>\$ 290,930,944</u>	<u>\$ 301,837,916</u>
30,903,916	29,169,651	30,444,118	33,084,061	35,795,008	34,030,462	32,354,384
<u>\$ 358,203,276</u>	<u>\$ 354,149,899</u>	<u>\$ 341,550,036</u>	<u>\$ 329,224,553</u>	<u>\$ 325,229,562</u>	<u>\$ 324,961,406</u>	<u>\$ 334,192,300</u>
\$ 4,040,792	\$ 3,746,548	\$ 3,408,480	\$ 3,577,888	\$ 3,457,221	\$ 3,150,424	\$ 3,722,405
5,555,617	5,424,155	4,999,225	5,086,361	4,904,274	5,322,226	5,553,935
2,793,819	2,423,071	2,408,537	2,385,331	2,343,640	2,445,342	2,468,169
20,586,428	19,761,903	19,692,616	17,956,735	15,835,016	15,925,374	15,957,744
658,148	591,188	555,754	544,118	520,553	530,608	496,842
165,631	160,557	156,061	170,222	162,883	189,423	196,312
48,000	51,978	62,500	31,500	131,000	-	580,039
4,016,244	4,146,938	4,049,206	4,213,507	4,296,430	4,712,717	4,125,795
8,053,105	7,269,764	8,267,256	8,939,570	9,079,446	8,444,098	10,304,155
198,375,317	200,277,615	190,825,384	173,921,511	169,168,836	167,466,120	174,972,223
4,637,402	4,488,932	4,688,072	4,490,129	4,290,326	4,518,262	4,908,799
734,037	809,017	724,910	718,212	723,270	745,885	812,704
1,446,332	1,520,888	1,466,963	1,453,929	1,456,501	1,407,776	1,418,009
100,000	241,449	20,264	-	-	-	10,000
<u>\$ 251,210,872</u>	<u>\$ 250,914,003</u>	<u>\$ 241,325,228</u>	<u>\$ 223,489,013</u>	<u>\$ 216,369,396</u>	<u>\$ 214,858,255</u>	<u>\$ 225,527,131</u>

COUNTY OF ERIE, PENNSYLVANIA  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
ACCRUAL BASIS OF ACCOUNTING  
(CONTINUED)

	2021	2020	2019
Business-type Activities:			
Charges for services:			
County owned long-term care facility	20,839,287	28,594,269	29,436,742
Operating grant and contributions	1,265,318	-	-
Capital grants and contributions	5,133	-	-
<i>Total business-type activities program revenues</i>	<u>22,109,738</u>	<u>28,594,269</u>	<u>29,436,742</u>
<i>Total primary government program revenues</i>	<u>\$ 379,513,499</u>	<u>\$ 313,358,007</u>	<u>\$ 275,721,484</u>
<b>Net (Expense)/Revenue:</b>			
<i>Governmental Activities</i>	\$ (79,170,856)	\$ (64,712,633)	\$ (93,238,883)
<i>Business-type Activities</i>	<u>(1,311,469)</u>	<u>(565,873)</u>	<u>(225,782)</u>
<i>Total primary government</i>	<u>\$ (80,482,325)</u>	<u>\$ (65,278,506)</u>	<u>\$ (93,464,665)</u>
<b>General Revenues and Other Changes in Net Position:</b>			
Governmental Activities:			
Property taxes	\$ 86,813,857	\$ 82,341,054	\$ 81,960,521
Hotel room rental tax	5,379,769	3,227,022	5,072,017
Interest income	217,421	552,567	1,323,707
Other income	793,239	2,579,292	2,601,021
Extraordinary item - loss on loan receivable	-	-	-
Transfers	<u>(6,339,910)</u>	<u>500,000</u>	<u>(1,200,012)</u>
<i>Total governmental activities</i>	<u>86,864,376</u>	<u>89,199,935</u>	<u>89,757,254</u>
<i>Business-type Activities:</i>			
Interest income	248,898	43,970	57,858
Other income	-	19,563	82,200
Transfers	<u>6,339,910</u>	<u>(500,000)</u>	<u>1,200,012</u>
<i>Total business-type activities</i>	<u>6,588,808</u>	<u>(436,467)</u>	<u>1,340,070</u>
<i>Total primary government</i>	<u>\$ 93,453,184</u>	<u>\$ 88,763,468</u>	<u>\$ 91,097,324</u>
<b>Change in Net Position:</b>			
<i>Governmental Activities</i>	\$ 7,693,520	\$ 24,487,302	\$ (3,481,629)
<i>Business-type Activities</i>	<u>5,277,339</u>	<u>(1,002,340)</u>	<u>1,114,288</u>
<i>Total primary government</i>	<u>\$ 12,970,859</u>	<u>\$ 23,484,962</u>	<u>\$ (2,367,341)</u>

Notes:

1. The County Nursing Home became a blended component unit due to the adoption of GASB Statement No. 61 in 2013.
2. GASB Statement No. 68 was adopted in 2015; prior year amounts were not restated.
3. GASB Statement No. 75 was adopted in 2018; prior year amounts were not restated.

2018	2017	2016	2015	2014	2013	2012
28,087,473	28,806,756	29,042,769	30,754,422	34,185,096	33,369,423	32,219,036
-	-	-	-	-	-	-
40,155	15,041	-	-	-	-	70,000
28,127,628	28,821,797	29,042,769	30,754,422	34,185,096	33,369,423	32,289,036
\$ 279,338,500	\$ 279,735,800	\$ 270,367,997	\$ 254,243,435	\$ 250,554,492	\$ 248,227,678	\$ 257,816,167
\$ (76,088,488)	\$ (74,066,245)	\$ (69,780,690)	\$ (72,651,479)	\$ (73,065,158)	\$ (76,072,689)	\$ (76,310,785)
(2,776,288)	(347,854)	(1,401,349)	(2,329,639)	(1,609,912)	(661,039)	(65,348)
\$ (78,864,776)	\$ (74,414,099)	\$ (71,182,039)	\$ (74,981,118)	\$ (74,675,070)	\$ (76,733,728)	\$ (76,376,133)
\$ 77,317,205	\$ 77,017,178	\$ 73,690,421	\$ 69,189,284	\$ 69,290,190	\$ 68,783,306	\$ 68,811,861
4,992,658	4,727,361	4,664,727	4,663,995	4,375,388	4,238,012	3,160,156
1,059,421	567,530	320,813	165,782	197,345	151,659	214,198
1,067,644	699,031	517,069	2,314,990	450,111	257,458	222,737
-	-	-	(3,000,000)	-	-	-
(1,970,493)	(1,855,036)	(1,372,200)	(2,470,893)	(811,544)	(750,331)	-
82,466,435	81,156,064	77,820,830	70,863,158	73,501,490	72,680,104	72,408,952
85,905	35,170	42,933	77,577	2,606	16,611	18,657
-	-	5,000	1,955,855	246,274	211,906	1,494,412
1,970,493	1,855,036	1,372,200	2,470,893	811,544	750,331	-
2,056,398	1,890,206	1,420,133	4,504,325	1,060,424	978,848	1,513,069
\$ 84,522,833	\$ 83,046,270	\$ 79,240,963	\$ 75,367,483	\$ 74,561,914	\$ 73,658,952	\$ 73,922,021
\$ 6,377,947	\$ 7,089,819	\$ 8,040,140	\$ (1,788,321)	\$ 436,332	\$ (3,392,585)	\$ (3,901,833)
(719,890)	1,542,352	18,784	2,174,686	(549,488)	317,809	1,447,721
\$ 5,658,057	\$ 8,632,171	\$ 8,058,924	\$ 386,365	\$ (113,156)	\$ (3,074,776)	\$ (2,454,112)

COUNTY OF ERIE, PENNSYLVANIA  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019
General Fund:			
Nonspendable:			
Prepaid items	\$ 155,659	\$ 187,579	\$ 167,494
Restricted:			
Public Health Services	-	-	-
Library Services	-	-	-
Public Safety Fund	-	-	-
Community Services	-	-	-
Courts and Related Offices	-	-	-
Economic Development Revolving Loan Fund	8,000,000	8,000,000	8,000,000
Judicial Services	1,180,238	1,408,298	1,322,737
Community Redevelopment	1,115,329	963,079	709,522
Assigned:			
Children and Youth IV-E litigation	-	-	-
Pleasant Ridge Manor	-	-	-
Municipal Projects	-	-	-
Public Safety Radio Project	-	-	-
Unassigned	50,927,149	49,001,736	44,456,162
<i>Total General Fund</i>	<u>61,378,375</u>	<u>59,560,692</u>	<u>54,655,915</u>
All Other Governmental Funds:			
Nonspendable:			
Prepaid items	102,878	175,034	122,694
Restricted:			
Road and Bridge improvements	5,969,574	4,906,440	4,707,662
Capital Projects	-	-	-
Public Health Services	117,488	545,799	22,300
Emergency Services	2,136,908	1,691,731	1,368,326
Library Services	126,077	132,382	141,825
Child Support Enforcement	38,506	27,461	25,082
Airport Runaway Project	-	-	-
Debt Service Payments for GO Bonds	2,450,922	2,442,696	2,427,785
ECGRA Restricted Fees	-	-	-
Pleasant Ridge Manor Loan	-	-	-
Land Preservation	17,790	17,790	222,746
Community Redevelopment	1,163,814	1,087,187	828,804
Recycling	283,082	287,082	287,482
Mental Health Services	16,109,143	14,104,476	8,874,425
Erie County Care Management	7,795,655	6,422,105	5,633,130
Community Grants	8,511,431	9,679,612	7,399,798
Public Safety Radio Project	-	939,088	2,405,626
ARPA Program	10,752	-	-
Assigned:			
Various capital grants	3,747,638	2,513,762	2,985,624
Unassigned	-	-	-
<i>Total All Other Governmental Funds</i>	<u>48,581,658</u>	<u>44,972,645</u>	<u>37,453,309</u>
<i>Total Governmental Funds</i>	<u><u>\$ 109,960,033</u></u>	<u><u>\$ 104,533,337</u></u>	<u><u>\$ 92,109,224</u></u>

2018	2017	2016	2015	2014	2013	2012
\$ 163,142	\$ 136,539	\$ 117,626	\$ 135,226	\$ 117,756	\$ 74,144	\$ 147,480
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	37,877
-	-	-	-	-	-	-
8,000,000	8,000,000	8,000,000	8,000,000	11,000,000	11,000,000	11,000,000
1,294,553	1,226,788	1,089,850	1,170,161	1,097,633	1,011,765	852,697
486,477	346,841	272,309	251,277	248,189	238,263	258,413
2,605,509	2,271,593	1,623,351	1,279,231	838,998	409,739	1,752,184
-	-	-	-	-	-	-
-	-	-	-	3,285	-	-
3,000,000	7,000,000	7,000,000	7,000,000	-	-	-
36,600,535	33,227,609	30,333,695	27,777,143	34,597,254	33,823,435	28,511,652
52,150,216	52,209,370	48,436,831	45,613,038	47,903,115	46,557,346	42,560,303
194,745	92,342	101,575	115,282	327,965	546,361	405,878
3,489,708	2,535,733	2,163,793	1,903,053	1,523,545	375,170	325,475
-	-	-	-	-	-	-
35,056	75,819	78,197	64,702	96,805	117,875	36,131
1,399,549	1,445,556	1,697,649	1,809,379	899,903	1,222,571	957,241
145,134	138,335	140,752	138,058	196,486	46,874	10,247
22,916	48,489	37,962	25,364	31,903	43,611	42,446
-	-	-	-	3,114,416	3,114,416	10,395,865
2,397,151	2,366,233	2,311,987	1,154,360	2,307,527	2,345,613	1,765,222
-	-	-	-	-	-	42,386
-	-	-	-	143,000	833,000	2,500,000
222,746	309,070	1,091,741	708,118	603,728	1,201,907	240,032
999,733	807,070	343,101	414,299	398,512	445,716	370,710
373,427	393,458	121,208	121,208	388,266	388,261	585,936
8,936,309	11,655,937	8,188,767	4,731,916	4,453,562	7,678,936	10,731,697
5,057,313	4,355,441	3,770,556	4,240,044	4,287,679	4,001,127	3,352,337
4,785,851	4,169,888	5,456,446	7,056,196	6,703,977	6,460,796	5,087,550
1,807,198	7,201,170	14,596,827	19,040,174	-	-	-
-	-	-	-	-	-	-
4,719,667	5,209,715	5,166,311	6,908,026	3,170,788	3,157,324	3,409,927
-	-	-	-	-	-	(37,877)
34,586,503	40,804,256	45,266,872	48,430,179	28,648,062	31,979,558	40,221,203
<u>\$ 86,736,719</u>	<u>\$ 93,013,626</u>	<u>\$ 93,703,703</u>	<u>\$ 94,043,217</u>	<u>\$ 76,551,177</u>	<u>\$ 78,536,904</u>	<u>\$ 82,781,506</u>

COUNTY OF ERIE, PENNSYLVANIA  
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019
<b>Revenues:</b>			
Real estate taxes	\$ 87,433,725	\$ 82,462,451	\$ 81,923,095
Hotel tax	5,379,769	3,227,022	5,072,017
Federal, state, and municipal grants	318,541,771	250,297,884	212,084,776
Charges for services	38,861,990	34,465,854	34,199,966
Interest income	206,669	552,567	1,323,707
Other income	803,991	2,579,292	2,601,021
<i>Total Revenues</i>	<u>451,227,915</u>	<u>373,585,070</u>	<u>337,204,582</u>
<b>Expenditures:</b>			
Current:			
General government	20,158,620	19,921,275	19,256,394
Courts and related offices	26,243,585	25,950,947	24,459,855
Corrections	38,292,666	32,438,225	37,870,199
Community services	324,391,428	252,568,439	217,467,259
Public health	11,516,852	8,571,129	7,848,009
Public works	763,650	878,173	773,450
Library	7,393,229	6,859,729	6,956,073
Other	3,915	3,915	3,915
Capital outlay	1,174,823	4,938,601	6,461,755
Debt service:			
Bond issuance costs	-	-	-
Principal	7,665,000	7,325,000	7,060,000
Interest	1,857,541	2,205,524	2,475,156
<i>Total Expenditures</i>	<u>439,461,309</u>	<u>361,660,957</u>	<u>330,632,065</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>11,766,606</u>	<u>11,924,113</u>	<u>6,572,517</u>
<b>Other Financing Sources (Uses):</b>			
Issuance of refunding bonds	-	-	-
Payments to refund bonds escrow agent	-	-	-
Note proceeds	-	-	-
Lease proceeds	-	-	-
Transfer in	43,817,243	33,051,662	35,520,171
Transfer out	(50,157,153)	(32,551,662)	(36,720,183)
Loss on guaranteed debt	-	-	-
Payment to bond refunding escrow agent	-	-	-
Payment if loan guarantee	-	-	-
Premium related to debt issuance	-	-	-
Discount related to debt issuance	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>(6,339,910)</u>	<u>500,000</u>	<u>(1,200,012)</u>
Extraordinary item - loss on loan receivable	-	-	-
<i>Net Change in Fund Balances</i>	<u>\$ 5,426,696</u>	<u>\$ 12,424,113</u>	<u>\$ 5,372,505</u>
Debt services as a percentage of non-capital expenditures	2.17%	2.67%	2.94%

2018	2017	2016	2015	2014	2013	2012
\$ 77,283,789	\$ 76,853,739	\$ 73,240,659	\$ 69,598,802	\$ 69,461,662	\$ 68,637,354	\$ 68,882,528
4,992,658	4,727,361	4,664,727	4,663,995	4,375,388	4,238,012	3,160,156
217,410,437	218,806,581	210,104,555	193,768,358	189,145,809	187,294,858	197,131,724
33,800,435	32,107,422	31,220,673	29,720,655	27,223,587	27,563,397	28,395,407
1,059,421	567,530	320,813	165,782	197,345	151,659	214,198
1,067,644	699,031	517,069	2,314,990	450,111	257,458	222,737
335,614,384	333,761,664	320,068,496	300,232,582	290,853,902	288,142,738	298,006,750
20,033,717	18,606,696	18,078,674	17,303,301	17,405,718	15,804,698	16,088,042
23,750,694	23,661,249	23,140,987	23,094,436	22,872,105	22,182,559	21,496,358
35,691,211	34,924,680	35,529,548	35,683,988	36,109,217	34,897,616	36,167,323
226,099,376	219,664,133	210,619,327	196,015,720	193,081,567	194,032,300	199,630,414
6,374,761	6,326,683	6,414,528	5,974,006	5,801,126	6,182,499	6,588,774
726,950	724,320	717,491	758,402	650,069	696,221	685,428
6,633,592	6,832,898	6,735,733	6,242,774	6,337,487	6,262,188	5,980,506
3,940	3,915	9,081	8,344	8,264	6,910	93,407
11,090,424	11,418,521	7,282,217	2,614,157	782,110	717,928	3,033,946
-	119,205	-	109,037	-	82,022	-
6,765,000	30,975,000	7,280,000	6,310,000	6,170,000	5,945,000	5,795,347
2,751,133	3,043,000	3,228,224	2,671,838	2,810,422	2,899,953	4,489,813
339,920,798	356,300,300	319,035,810	296,786,003	292,028,085	289,709,894	300,049,358
(4,306,414)	(22,538,636)	1,032,686	3,446,579	(1,174,183)	(1,567,156)	(2,042,608)
-	20,220,000	-	17,380,000	-	12,457,211	13,605,000
-	-	-	-	-	(12,514,108)	(12,520,000)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
35,702,173	34,423,204	31,746,500	48,591,527	30,441,242	30,770,664	29,354,406
(37,672,666)	(36,278,240)	(33,118,700)	(51,062,420)	(31,252,786)	(31,520,995)	(29,354,406)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,483,595	-	2,136,354	-	-	-
-	-	-	-	-	-	-
(1,970,493)	21,848,559	(1,372,200)	17,045,461	(811,544)	(807,228)	1,085,000
-	-	-	(3,000,000)	-	-	-
\$ (6,276,907)	\$ (690,077)	\$ (339,514)	\$ 14,045,461	\$ (1,985,727)	\$ (2,374,384)	\$ (957,608)
2.89%	9.90%	3.37%	3.09%	3.08%	3.09%	3.46%

COUNTY OF ERIE, PENNSYLVANIA  
PROGRAM REVENUES BY FUNCTION/PROGRAM  
LAST TEN YEARS  
ACCRUAL BASIS OF ACCOUNTING

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Function/Program:</b>			
Governmental Activities			
General government	\$ 3,807,282	\$ 5,884,586	\$ 3,840,607
Courts and related offices	9,893,879	9,650,429	9,921,344
Corrections	9,884,613	8,926,019	10,616,649
Community services	322,853,585	251,998,774	214,315,831
Public health	8,647,156	6,119,382	5,235,709
Public works	633,563	631,568	727,014
Library	<u>1,683,683</u>	<u>1,552,980</u>	<u>1,627,588</u>
<i>Total Governmental Activities</i>	<u>357,403,761</u>	<u>284,763,738</u>	<u>246,284,742</u>
Business-type Activity - Court owned long-term care facility	<u>22,109,738</u>	<u>28,594,269</u>	<u>29,436,742</u>
<i>Total Primary Government</i>	<u><u>\$ 379,513,499</u></u>	<u><u>\$ 313,358,007</u></u>	<u><u>\$ 275,721,484</u></u>

2018	2017	2016	2015	2014	2013	2012
\$ 4,088,792	\$ 3,798,526	\$ 3,470,980	\$ 3,609,388	\$ 3,588,221	\$ 3,150,424	\$ 4,312,444
9,571,861	9,571,093	9,048,431	9,299,868	9,200,704	10,034,943	9,679,730
10,846,924	9,692,835	10,675,793	11,324,901	11,423,086	10,889,440	12,772,324
218,961,745	220,280,967	210,538,264	191,878,246	185,003,852	183,391,494	190,929,967
5,295,550	5,080,120	5,243,826	5,034,247	4,810,879	5,048,870	5,405,641
734,037	809,017	724,910	718,212	723,270	745,885	812,704
1,711,963	1,681,445	1,623,024	1,624,151	1,619,384	1,597,199	1,614,321
251,210,872	250,914,003	241,325,228	223,489,013	216,369,396	214,858,255	225,527,131
28,127,628	28,821,797	29,042,769	30,754,422	34,185,096	33,369,423	32,289,036
<u>\$ 279,338,500</u>	<u>\$ 279,735,800</u>	<u>\$ 270,367,997</u>	<u>\$ 254,243,435</u>	<u>\$ 250,554,492</u>	<u>\$ 248,227,678</u>	<u>\$ 257,816,167</u>

## **REVENUE CAPACITY**

COUNTY OF ERIE, PENNSYLVANIA  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS

<u>Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Agricultural Property</u>
2012	\$ 7,692,021,537	\$ 2,461,513,447	\$ 317,586,945	\$ 905,137,299
2013	9,570,146,098	2,774,357,520	338,780,027	1,113,548,100
2014	9,602,788,473	2,810,863,512	339,285,132	1,117,924,032
2015	9,644,232,897	2,892,842,401	340,295,850	1,118,295,617
2016	9,675,819,454	2,925,772,605	358,366,573	1,123,699,175
2017	9,715,845,330	3,013,349,619	366,154,804	1,128,120,210
2018	9,757,890,186	2,996,478,404	366,199,639	1,137,892,789
2019	9,794,619,077	2,981,107,602	366,753,198	1,139,811,917
2020	9,830,963,688	3,038,010,293	381,038,917	1,146,136,323
2021	9,902,751,464	3,120,076,309	384,362,600	1,153,679,691

Total assessed value as of January 1 of the current year includes exonerations and additions from the previous year. *Source: 2012-2021 County of Erie Assessment Bureau*

<b>Other</b>		<b>Total Assessed Value</b>	<b>Total Market Value</b>	<b>Assessed to Market Value</b>	<b>Total Direct Tax Rate</b>
\$	-	\$ 11,376,259,228	\$ 13,478,980,128	84.40%	0.00605
	-	13,796,831,745	13,796,831,745	100.00%	0.00493
	-	13,870,861,149	13,870,861,149	100.00%	0.00493
	-	13,995,666,765	14,533,402,663	96.30%	0.00493
	-	14,083,657,807	14,824,902,954	95.00%	0.00516
	-	14,223,469,963	14,924,942,249	95.30%	0.00541
	-	14,258,461,018	15,200,917,930	93.80%	0.00541
	-	14,282,291,794	15,977,968,058	89.39%	0.00571
	-	14,396,149,221	15,977,968,058	90.10%	0.00571
	-	14,560,570,064	17,887,678,211	81.40%	0.00596

COUNTY OF ERIE, PENNSYLVANIA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(RATES PER 1\$ OF ASSESSED VALUE)

	Year Taxes are Payable				
	2021	2020	2019	2018	2017
<b>County:</b>					
Erie County Operating Millage	0.00596	0.00571	0.00571	0.00541	0.00541
<b>Township or Borough:</b>					
Albion Boro	0.005750	0.005500	0.0055000	0.0055000	0.0035000
Amity Township	0.001500	0.001500	0.0015000	0.0015000	0.0015000
Concord Township	0.000226	0.000206	0.0002060	0.0020600	0.0002060
Conneaut Township	0.001000	0.001000	0.0010000	0.0010000	0.0010000
Corry City	0.010350	0.010350	0.0103500	0.1035000	0.0103500
Cranesville Boro	0.002000	0.001750	0.0014300	0.1430000	0.0013800
Edinboro Boro	0.004500	0.004500	0.0045000	0.0045000	0.0045000
Elgin Boro	0.000650	0.000650	0.0006500	0.0006500	0.0006500
Elk Creek Township	0.003000	0.003000	0.0030000	0.0030000	0.0030000
Erie City	0.013120	0.013120	0.0116500	0.0116400	0.0116500
Fairview Township	0.000750	0.000750	0.0007500	0.0007500	0.0007500
Franklin Township	0.002700	0.002700	0.0027000	0.0027000	0.0027000
Girard Boro	0.001890	0.001890	0.0018900	0.0018900	0.0018900
Girard Township	0.001200	0.001200	0.0012000	0.0093200	0.0009320
Greene Township	0.001990	0.001990	0.0019900	0.0017900	0.0017900
Greenfield Township	0.002340	0.002340	0.0023400	0.0023400	0.0023400
Harborcreek Township	0.000966	0.000966	0.0009663	0.0009663	0.0009663
Lake City Boro	0.003150	0.003150	0.0031500	0.0031500	0.0031500
Lawrence Park Township	0.003550	0.003550	0.0035500	0.0032500	0.0032500
LeBouef Township	0.001500	0.001000	0.0007500	0.0007500	0.0006500
McKean Township	0.000950	0.000950	0.0009500	0.0009500	0.0009500
McKean Boro	0.000940	0.000940	0.0009400	0.0035554	0.0009400
Millcreek Township	0.003554	0.003555	0.0035537	0.0010700	0.0035537
Mill Village Boro	0.001070	0.001070	0.0010700	0.0048390	0.0010700
North East Boro - 1st Ward	0.004839	0.004839	0.0048390	0.0048390	0.0048390
North East Boro - 2nd Ward	0.004839	0.004839	0.0048390	0.0011140	0.0048939
North East Township	0.001114	0.001114	0.0011140	0.0010790	0.0011140
Platea Boro	0.001079	0.001079	0.0010790	0.0003525	0.0010790
Springfield Township	0.000500	0.000500	0.0005000	0.0005900	0.0003525
Summit Township	0.000590	0.000590	0.0005900	0.0080600	0.0005900
Union City Boro - 1st Ward	0.008810	0.008060	0.0080600	0.0080600	0.0080600
Union City Boro - 2nd Ward	0.008810	0.008060	0.0080600	0.0010000	0.0080600
Union Township	0.001200	0.001200	0.0010000	0.0022000	0.0010000
Venango Township	0.002200	0.002200	0.0022000	0.0022000	0.0022000
Washington Township	0.001000	0.001000	0.0010000	0.0010000	0.0010000
Waterford Boro	0.002700	0.002600	0.0025000	0.0025000	0.0025000
Waterford Township	0.001990	0.001990	0.0019900	0.0019900	0.0019900
Wattsburg Boro	0.004000	0.004000	0.0040000	0.0026000	0.0026000
Wayne Township	0.001240	0.001240	0.0012400	0.0012400	0.0012400
Wesleyville Boro	0.007971	0.007971	0.0076380	0.0076380	0.0076380

Year Taxes are Payable				
2016	2015	2014	2013	2012
0.00516	0.00493	0.00493	0.00493	0.00605
0.0035000	0.0035000	0.0016990	0.0016990	0.0020600
0.0014150	0.0014150	0.0014150	0.0014150	0.0016000
0.0002060	0.0002060	0.0002060	0.0002060	0.0002300
0.0010000	0.0010000	0.0005000	0.0003070	0.0003350
0.0086000	0.0086000	0.0076500	0.0076500	0.0086500
0.0013800	0.0013400	0.0013000	0.0011600	0.0012700
0.0045000	0.0045000	0.0045000	0.0045000	0.0053500
0.0006500	0.0006500	0.0006500	0.0006500	0.0007500
0.0030000	0.0023500	0.0023500	0.0021200	0.0023500
0.0116500	0.0116500	0.0108500	0.0108500	0.0131000
0.0007500	0.0007500	0.0007500	0.0007500	0.0009500
0.0027000	0.0027000	0.0027000	0.0027000	0.0033000
0.0018900	0.0018900	0.0018900	0.0013900	0.0017800
0.0009320	0.0009320	0.0009320	0.0009320	0.0010370
0.0017900	0.0017900	0.0017900	0.0017900	0.0020000
0.0023400	0.0023400	0.0023400	0.0020900	0.0023000
0.0009663	0.0009663	0.0009663	0.0009663	0.0011920
0.0031500	0.0031500	0.0031500	0.0026500	0.0031003
0.0032500	0.0030000	0.0025000	0.0022000	0.0027500
0.0005500	0.0004500	0.0004000	0.0003800	0.0004200
0.0009500	0.0009500	0.0009500	0.0009000	0.0010000
0.0009400	0.0009400	0.0009400	0.0009400	0.0011000
0.0035537	0.0035537	0.0035537	0.0025537	0.0029594
0.0010700	0.0010700	0.0010700	0.0010700	0.0013000
0.0048390	0.0048390	0.0044500	0.0044500	0.0051100
0.0048390	0.0048390	0.0044500	0.0044500	0.0051100
0.0011140	0.0011140	0.0010400	0.0010400	0.0012640
0.0010790	0.0010790	0.0010790	0.0010790	0.0013000
0.0003525	0.0003525	0.0003525	0.0003525	0.0004360
0.0005900	0.0005900	0.0005900	0.0005900	0.0007000
0.0070600	0.0070600	0.0060600	0.0060600	0.0070000
0.0070600	0.0070600	0.0060600	0.0060600	0.0070000
0.0010000	0.0010000	0.0010000	0.0010000	0.0012000
0.0022000	0.0022000	0.0022000	0.0022000	0.0027000
0.0010000	0.0010000	0.0010000	0.0008200	0.0010000
0.0024000	0.0024000	0.0024000	0.0024000	0.0028500
0.0019900	0.0019900	0.0019900	0.0019900	0.0024000
0.0026000	0.0026000	0.0026000	0.0026000	0.0030000
0.0012400	0.0012400	0.0012400	0.0012400	0.0015000
0.0076380	0.0076380	0.0076380	0.0071380	0.0087730

COUNTY OF ERIE, PENNSYLVANIA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(RATES PER 1\$ OF ASSESSED VALUE)  
(CONTINUED)

School District:	Year Taxes are Payable				
	2021	2020	2019	2018	2017
Corry Area	0.014781	0.014555	0.0145610	0.0107400	0.0139680
Erie City	0.017719	0.017203	0.0172029	0.0167899	0.0167064
Fairview	0.019160	0.018740	0.0182800	0.0176700	0.0173700
Fort LeBoeuf	0.012810	0.012350	0.0123500	0.0123500	0.0123500
General McLane	0.013240	0.012980	0.0129800	0.0128500	0.0127300
Girard	0.018360	0.018040	0.0180400	0.0174500	0.0168600
Harborcreek Township	0.018020	0.017520	0.0169500	0.0164700	0.0159700
Iroquois	0.023933	0.022933	0.0220526	0.0220526	0.0212726
Millcreek Township	0.014761	0.014500	0.0145003	0.0141054	0.0138288
North East	0.014360	0.014090	0.0140900	0.0140900	0.0139500
Northwestern	0.010926	0.014090	0.0140900	0.0140900	0.0099900
Union City Area	0.011520	0.011810	0.0114100	0.0112200	0.0113600
Wattsburg Area	0.020580	0.019779	0.0197786	0.0191858	0.0185729

Year Taxes are Payable				
2016	2015	2014	2013	2012
0.0134570	0.0131310	0.0131310	0.0137960	0.0176513
0.0166233	0.0166233	0.0166233	0.0166233	0.0187626
0.0168800	0.0161100	0.0161100	0.0156454	0.0190700
0.0119800	0.0113900	0.0113900	0.0113900	0.0135600
0.0127300	0.0122600	0.0122600	0.0119300	0.0140600
0.0162600	0.0152800	0.0152800	0.0148300	0.0178600
0.0157500	0.0149100	0.0149100	0.0143100	0.0172800
0.0204826	0.0192026	0.0192026	0.0186126	0.0225200
0.0137788	0.0132766	0.0132766	0.0126700	0.0148800
0.0136900	0.0133700	0.0133700	0.0132400	0.0164400
0.0099900	0.0093893	0.0093893	0.0091065	0.0104600
0.0109700	0.0102300	0.0102300	0.0106200	0.0125200
0.0174738	0.0154738	0.0154738	0.0145140	0.0171500

COUNTY OF ERIE, PENNSYLVANIA  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND TEN YEARS AGO

<u>Taxpayer - Type of Real Property</u>	<u>December 31, 2021</u>			<u>December 31, 2012</u>		
	<u>Estimated Actual Values of Real Property</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Estimated Actual Values of Real Property</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
Presque Isle Downs	\$ 124,023,544	1	0.86%	\$ 147,639,300	1	1.31%
Millcreek Mall Corp	106,236,700	3	0.74%	115,345,700	2	1.02%
Baldwin Brothers Inc	110,810,864	2	0.77%	34,236,886	3	0.30%
Scott Development Co	71,061,020	5	0.49%	79,162,900	4	0.70%
Riedman Properties EP II LLC	67,180,540	6	0.47%	-	-	-
Erie Insurance (Indemnity)	102,344,035	4	0.71%	37,625,801	9	0.33%
Wal-Mart Real Estate Business Trust	53,730,700	8	0.37%	44,140,631	5	0.39%
Millcreek Community Hospital	58,756,955	7	0.41%	45,725,340	-	-
Westinghouse Air Brake Technologies	44,448,450	9	0.31%	-	-	-
Lord Corporation	38,444,400	10	0.27%	-	-	-
Pastore Inc.	-	-	-	41,105,000	6	0.36%
Developers Diversified Realty	-	-	-	34,716,100	7	0.31%
General Electric Company	-	-	-	-	10	-
Manelo Developers	-	-	-	22,173,220	8	0.20%
Total	<u>\$ 777,037,208</u>		<u>5.40%</u>	<u>\$ 601,870,878</u>		<u>4.93%</u>
Assessed Value of All Properties	<u>\$ 14,396,149,221</u>			<u>\$ 11,282,268,586</u>		

COUNTY OF ERIE, PENNSYLVANIA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

<u>Year</u>	<u>Tax Levied for the Fiscal Year (Original Levy)</u>	<u>Adjustments</u>	<u>Total Adjusted Tax Levy</u>	<u>Face Value of Current Collections</u>	<u>Percent of Current Tax Collection</u>	<u>Total Delinquent/ Liened Collections</u>	<u>Total Collections net of refunds</u>	<u>Total Collection as Percentage of Adjusted Tax (After Refunds)</u>
2012	\$ 68,826,499	\$ (150,356)	\$ 68,676,143	\$ 65,097,158	94.79%	\$ 2,071,092	\$ 67,168,250	97.80%
2013	68,018,418	(249,755)	67,768,663	64,703,847	95.48%	2,361,154	67,065,001	98.96%
2014	68,383,383	(153,126)	68,230,257	65,273,980	95.67%	2,204,769	67,478,749	98.90%
2015	68,998,675	(151,111)	68,847,564	64,756,661	94.06%	2,160,282	66,916,943	97.20%
2016	72,671,673	(118,981)	72,552,692	68,213,291	94.02%	2,252,586	70,465,876	97.12%
2017	76,949,011	(389,185)	76,559,826	71,961,646	93.99%	4,347,007	76,308,653	99.67%
2018	77,138,312	(289,618)	76,848,694	72,230,589	93.99%	1,714,489	73,945,079	96.22%
2019	81,551,926	(77,292)	81,474,634	76,659,386	94.09%	2,653,155	79,312,541	97.35%
2020	82,202,052	(63,990)	82,138,062	78,542,252	95.62%	20,390	78,562,642	95.65%
2021	86,323,585	(118,349)	86,205,236	82,931,419	96.20%	1,300	82,932,719	96.20%

## **DEBT CAPACITY**

COUNTY OF ERIE, PENNSYLVANIA  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS

<u>Year</u>	<u>Net General Obligation Bonds</u>	<u>Note Payable</u>	<u>Capital Leases</u>	<u>Total</u>	<u>% of Personal Income (a)</u>	<u>% of Actual Value (b) of Taxable Property</u>	<u>Total Assessed Value</u>	<u>Population</u>	<u>Personal Income (Thousands of Dollars)</u>
2012	\$80,168,026	\$ -	\$ -	\$80,168,026	0.78%	0.58%	\$ 11,376,259,228	280,646	\$ 10,291,569
2013	74,725,107	-	-	74,725,107	0.71%	0.54%	13,796,831,745	280,294	10,575,326
2014	68,260,983	-	-	68,260,983	0.64%	0.49%	13,870,861,149	278,443	10,636,535
2015	81,137,555	-	-	81,137,555	0.72%	0.58%	13,995,666,765	278,045	11,240,073
2016	73,420,895	-	-	73,420,895	0.65%	0.52%	14,083,657,807	279,858	11,259,431
2017	65,799,727	-	-	65,799,727	0.57%	0.46%	14,223,469,963	280,566	11,499,800
2018	58,202,198	-	-	58,202,198	0.48%	0.41%	14,258,461,018	275,972	12,216,339
2019	50,309,668	-	-	50,309,668	0.40%	0.35%	14,282,291,764	269,728	12,509,662
2020	42,152,138	-	-	42,152,138	0.31%	0.29%	14,396,149,221	269,428	13,565,234
2021	33,699,957	-	-	33,699,957	*	*	14,530,033,409	264,280	*

(a) Population and personal income data can be found on page

(b) Property data can be found on page

\*Information not yet available

*Note: Total Assessed Value as of 12/31 of the current year includes exonerations and additions. Net general obligation bonds includes bonds outstanding as well as deferred premiums and discounts*

COUNTY OF ERIE, PENNSYLVANIA  
DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2021

<u>Governmental Unit</u>	<u>Total Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Cities:			
Corry	\$ 19,942,354	100.00%	\$ 19,942,354
Erie	<u>225,644,677</u>	100.00%	<u>225,644,677</u>
Total Cities	<u>245,587,031</u>		<u>245,587,031</u>
Boroughs:			
Albion	7,383,768	100.00%	7,383,768
Cranesville	-	100.00%	-
Edinboro	6,518,285	100.00%	6,518,285
Elgin	-	100.00%	-
Girard	5,271,494	100.00%	5,271,494
Lake City	4,473,927	100.00%	4,473,927
McKean	-	100.00%	-
Mill Village	-	100.00%	-
North East	22,501,784	100.00%	22,501,784
Platea	-	100.00%	-
Union City	-	100.00%	-
Waterford	-	100.00%	-
Wattsburg	666,786	100.00%	666,786
Wesleyville	<u>200,497</u>	100.00%	<u>200,497</u>
Total Boroughs	<u>47,016,541</u>		<u>47,016,541</u>
Townships:			
Amity	135,000	100.00%	135,000
Concord	-	100.00%	-
Conneaut	-	100.00%	-
Elk Creek	97,768	100.00%	97,768
Fairview	-	100.00%	-
Franklin	162,900	100.00%	162,900
Girard	-	100.00%	-
Greene	16,363,580	100.00%	16,363,580
Greenfield	0	100.00%	-
Haborcreek	0	100.00%	-
Lawrence Park	128,130	100.00%	128,130
LeBoef	46,723	100.00%	46,723
McKean	720,975	100.00%	720,975
Millcreek	1,049,355	100.00%	1,049,355
North East	3,702,287	100.00%	3,702,287
Springfield	135,000	100.00%	135,000
Summit	-	100.00%	-
Union	224,756	100.00%	224,756
Venango	70,350	100.00%	70,350
Washington	1,380,165	100.00%	1,380,165
Waterford	-	100.00%	-
Wayne	<u>29,936</u>	100.00%	<u>29,936</u>
Total Townships	<u>24,246,925</u>		<u>24,246,925</u>

COUNTY OF ERIE, PENNSYLVANIA  
DIRECT AND OVERLAPPING DEBT (CONTINUED)  
DECEMBER 31, 2021

<u>Governmental Unit</u>	<u>Total Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
School Districts;			
City of Erie	180,526,031	100.00%	180,526,031
Corry Area	30,885,051	100.00%	30,885,051
Fairview	22,818,251	100.00%	22,818,251
Ft. LeBoeuf	30,952,500	100.00%	30,952,500
General McLane	31,806,234	100.00%	31,806,234
Girard	24,351,860	100.00%	24,351,860
Harborcreek	29,750,532	100.00%	29,750,532
Iroquois Area	18,674,141	100.00%	18,674,141
Millcreek	92,417,363	100.00%	92,417,363
North East	22,213,030	100.00%	22,213,030
Northwestern	20,405,006	100.00%	20,405,006
Union City Area	16,552,605	100.00%	16,552,605
Wattsburg Area	22,483,169	100.00%	22,483,169
Total School Districts	<u>543,835,773</u>		<u>543,835,773</u>
Subtotal overlapping debt	860,686,270		860,686,270
Total direct debt			<u>33,836,003</u>
Total direct and overlapping debt	<u>\$ 860,686,270</u>		<u>\$ 894,522,273</u>

COUNTY OF ERIE, PENNSYLVANIA  
RATIOS OF GENERAL OBLIGATION BONDS  
OUTSTANDING AND LEGAL DEBT MARGIN  
LAST TEN YEARS  
ACCRUAL BASIS OF ACCOUNTING

	2012	2013	2014	2015
Assessed value of property	\$ 11,376,259,228	\$ 13,796,831,745	\$ 13,870,861,149	\$ 13,995,666,765
Percentage of net debt to assessed value	0.69%	0.52%	0.48%	0.57%
Population	280,646	280,294	278,443	27,045
Net bonded debt per capita in dollars	279	258	237	288
Debt limit 300% of average gross revenue	1,002,682,263	988,408,681	976,028,883	975,556,650
Amount of debt applicable to limit:				
General obligation bonds	80,168,026	74,725,107	68,260,983	81,137,555
Less: resources restricted to paying debt service	<u>(1,765,222)</u>	<u>(2,345,613)</u>	<u>(2,370,527)</u>	<u>(1,154,360)</u>
Total net debt applicable to limit	\$ 78,402,804	\$ 72,379,494	\$ 65,890,456	\$ 79,983,195
Legal debt margin	\$ 924,279,459	\$ 916,029,187	\$ 910,138,427	\$ 895,573,455
Total net debt applicable to the limit as a percentage of debt limit	7.82%	7.32%	6.75%	8.20%

\*Assessed value as of 12/31 of the current year includes exonerations and additions.

2016	2017	2018	2019	2020	2021
\$ 14,083,657,807	\$ 14,223,469,963	\$ 14,258,461,018	\$ 14,282,291,794	\$ 14,396,149,221	\$ 14,530,033,409
0.50%	0.45%	0.39%	0.34%	0.28%	0.23%
279,858	280,566	275,972	269,728	269,428	266,096
254	226	199	178	147	127
1,002,891,717	1,042,585,418	1,075,484,016	1,092,193,977	1,131,762,555	1,168,139,886
73,420,895	65,799,727	58,202,198	50,309,668	42,152,138	33,699,957
(2,311,987)	(2,366,233)	(2,397,151)	(2,427,785)	(2,442,696)	-
\$ 71,108,908	\$ 63,433,494	\$ 55,805,047	\$ 47,881,883	\$ 39,709,442	\$ 33,699,957
\$ 931,782,809	\$ 979,151,924	\$ 1,019,678,969	\$ 1,044,312,094	\$ 1,092,053,113	\$ 1,134,439,929
7.09%	6.08%	5.19%	4.38%	3.51%	2.88%

COUNTY OF ERIE, PENNSYLVANIA  
DEBT STATEMENT PURSUANT TO LOCAL GOVERNMENT UNIT DEBT ACT  
AS OF DECEMBER 31, 2021

	<u>Electoral</u>	<u>Nonelectoral</u>	<u>Lease Rental</u>
Gross incurred debt:			
Bonds outstanding:			
2005 G.O. Bond	\$ -	\$ 3,835,000	\$ -
2012 G.O Bond	-	1,015,000	-
2014 Erie County Convention Center Authority (guarantee only)	-	-	31,301,000
2015 G.O Bond	-	11,845,000	-
2015 Erie County Convention Center Authority (guarantee only)	-	-	30,560,000
2017 G.O Bond	-	14,040,000	-
	<u>-</u>	<u>30,735,000</u>	<u>61,861,000</u>
Total gross incurred debt	-	30,735,000	61,861,000
Credits and exclusions:			
Less:			
Sinking funds, reserve accounts, bond proceeds	-	2,442,697	28
Current appropriations	-	-	-
Uncollected special assessments	-	-	-
Delinquent taxes and liens	-	6,449,813	-
Surplus cash	-	-	-
Solvent debts due	-	-	-
Indemnifying insurance	-	-	-
Self-liquidating debt	-	-	30,560,000
	<u>-</u>	<u>8,892,510</u>	<u>30,560,028</u>
Total credits and exclusions	-	8,892,510	30,560,028
Net indebtedness	<u>\$ -</u>	<u>\$ 21,842,490</u>	<u>\$ 31,300,972</u>
Percentage of Legal Debt Limitation	<u>0.00%</u>	<u>1.87%</u>	<u>2.68%</u>
Aggregate principal amount of bonds or notes being issued or evidencing lease rental debt:			
Pleasant Ridge Manor letter of credit			<u>\$ 700,000</u>

COUNTY OF ERIE, PENNSYLVANIA  
BORROWING BASE CERTIFICATE  
AS OF DECEMBER 31, 2021

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total revenue received	\$ 366,364,663	\$ 401,958,531	\$ 399,868,487
Less:			
State and federal subsidies and reimbursements related to a particular project financed by debt	-	-	-
Revenues, receipts, and assessments pledged for self-liquidating debt	-	-	-
Interest on moneys in sinking fund pledged for debt	29,549	14,211	8,035
Grants and gifts-in-aid measured by construction of specific projects	-	-	-
Nonrecurring receipts	<u>-</u>	<u>-</u>	<u>-</u>
Subtotals	<u>\$ 366,335,114</u>	<u>\$ 401,944,320</u>	<u>399,860,452</u>
Total net revenues			<u>\$ 1,168,139,886</u>
Borrowing base - total net revenues divided by three			<u>\$ 389,379,962</u>
Applicable debt limitations - nonelectoral (300%)			<u>\$ 1,168,139,886</u>
Nonelectoral plus lease rentals (400%)			<u>\$ 1,557,519,848</u>

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

COUNTY OF ERIE, PENNSYLVANIA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (2)	Elementary/Secondary School Enrollment (3)			Employed Persons (4)	Unemployment Rate(4)	Number of Building Permits (5)
				Public	Private	Total			
2012	280,646	\$ 10,291,569	\$ 34,671	40,343	5,515	45,858	128,500	8.20%	2,591
2013	280,294	10,575,326	37,729	41,198	5,589	46,787	131,700	6.40%	2,593
2014	278,443	10,636,535	38,200	39,604	5,860	45,464	131,200	5.50%	2,507
2015	278,045	11,240,073	40,425	39,656	5,047	44,703	127,300	5.50%	2,424
2016	279,858	11,259,431	40,764	39,249	5,282	44,531	125,300	6.60%	2,501
2017	280,566	11,499,800	41,887	39,802	5,123	44,925	123,600	5.50%	2,534
2018	275,972	12,216,339	44,903	38,556	5,738	44,294	125,400	4.70%	2,108
2019	269,728	12,509,662	48,007	37,825	6,104	43,929	122,500	5.00%	2,616
2020	269,428	13,565,234	51,529	36,436	4,128	40,564	114,900	8.80%	2,460
2021	266,096	*	64,054	33,557	2,024	35,581	115,400	5.90%	2,418

\*Information not yet available.

Sources:

- (1) 2012-2021 PA Department of Labor and Industry
- (2) U.S. Department of Commerce, Bureau of Economic Analysis
- (3) PA Department of Education, Bureau of Information Systems
- (4) Erie Regional Chamber and Growth Partnership
- (5) Erie County Assessment Bureau

COUNTY OF ERIE, PENNSYLVANIA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO

Employer (A)	Product or Service	December 31, 2021			December 31, 2012		
		(B) Employees	Rank	Percentage of Total County Employment	(C) Employees	Rank	Percentage of Total County Employment
Erie Indemnity Company	Insurance	5,260	1	4.10%	4,300	2	3.35%
General Electric Company	Locomotive Manufacturing	-	-	-	5,300	1	4.13%
UPMC Hamot Medical Center	Health Related	3,630	2	2.83%	3,400	3	2.65%
Pennsylvania State Government	State Government	3,050	3	2.38%	3,000	5	2.34%
Wal-Mart	Department/Grocery Store	3,060	4	2.39%	1,600	6	1.25%
Saint Vincent Health Center	Health Related	2,539	5	1.98%	3,000	4	2.34%
Wabtec US Rail Inc.	Locomotive Manufacturing	2,575	6	2.01%	-	-	-
United States Government	Federal Government	2,195	7	1.71%	1,400	8	1.09%
County of Erie	County Government	1,253	8	0.98%	-	-	-
School District of the City of Erie	Public Education	1,502	9	1.17%	1,300	9	1.01%
Regional Health Services	Health Related	-	10	-	-	-	-
Dr. Gertrude A Barger Center Inc.	Public Health	-	-	-	1,500	7	1.17%
Verizon	Public Utility	-	-	-	1,200	10	0.94%
Total	Total	<u>25,064</u>		<u>19.55%</u>	<u>26,000</u>		<u>20.27%</u>

(A) Source: Center for Workforce Information, Erie City Office Pennsylvania Department of Labor and Industry

(B) 2021 Erie Regional Chamber and Growth Partnership

(C) Erie County Planning Department generalization for relative comparison

## **OPERATING INFORMATION**

COUNTY OF ERIE, PENNSYLVANIA  
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT  
 EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN YEARS

<u>Function/Program</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government	243	297	293	152	154	152	151	163	97	89
Courts and Court Related	250	247	267	257	257	251	250	267	284	296
Corrections	178	153	185	311	311	296	291	292	277	278
Community Service	358	330	325	305	315	314	287	301	310	303
Library	104	98	65	65	62	59	56	83	66	65
Public Health	120	108	72	68	67	64	64	64	64	69
Total	<u>1,253</u>	<u>1,233</u>	<u>1,207</u>	<u>1,158</u>	<u>1,166</u>	<u>1,136</u>	<u>1,099</u>	<u>1,170</u>	<u>1,098</u>	<u>1,100</u>

Source: County of Erie Workforce Report

COUNTY OF ERIE, PENNSYLVANIA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2021	2020	2019	2018	2017
<b>General Government:</b>					
Receipts written	10,057	9,946	10,667	14,780	11,161
Checks written	25,849	26,035	27,849	39,450	42,172
Purchase orders issued	2,807	2,437	2,698	2,506	2,587
Ordinances and resolutions passed	204	195	190	199	211
Entry for claims	21,314	20,994	21,793	12,588	11,786
Licenses issued (fishing, hunting dog, doe, bingo)	25,842	29,049	30,387	31,146	33,760
Building permits monitored	2,418	2,460	2,616	2,108	2,534
Total taxable parcels	116,746	116,746	117,253	117,423	117,411
Total exempt parcels	5,052	4,882	5,170	4,898	4,904
Retired employees	43	52	59	56	53
Pension fund transactions processed	381	272	424	334	290
Full-time employees	1,211	1,200	1,162	1,158	1,166
Part-time employees	42	43	45	49	55
Deeds, mortgages, other recorded	34,369	28,400	27,105	26,823	28,210
Coroner cases	763	695	610	594	617
Autopsies performed	93	86	73	111	109
Discharged military personnel registered with Veterans Affairs	131	172	260	226	229
Bids received and opened	43	45	26	48	51
Special audits conducted	17	15	15	15	15
Fraud hotline calls received	7	8	19	9	8
<b>Courts and Court Related:</b>					
New criminal cases:	2,984	2,627	3,139	3,305	3,808
Jury trials	59	28	51	73	109
Non-jury trials	17	6	19	23	13
Criminal sentencing	2,069	2,320	787	920	2,125
New civil cases:	1,222	1,203	1,530	2,952	2,968
Jury trials	2	-	1	5	3
Non-jury trials	3	4	4	18	20
Traffic citations (in thousands)	24,776	20,249	25	26	29
Summary offenses (in thousands)	8,782	472	8	1	2
Civil cases filled (in thousands [District Justice Offices])	2,462	2,084	3	3	3
Criminal cases filed (in thousands [District Justice offices])	5,229	4,559	5	5	5
New support petitions filed	1,594	230	2,028	1,885	2,149
Modified petitions filed	1,611	66	1,876	1,907	1,981
Support court hearings	196	70	5,932	6,780	5,872
Contempt court hearings	68	257	343	327	347
Support Contempt court hearings	597	595	1,372	1,281	1,067
Support collections (in millions)	29	31	31	32	32
Warrants processed	2,169	2,243	3,304	3,209	2,784
Civil papers served	3,547	2,511	5,540	12,410	12,322
Sheriff sales	243	153	776	407	439

2016	2015	2014	2013	2012
10,265	10,866	10,818	12,848	11,889
32,615	51,166	43,063	42,564	44,246
2,231	2,901	3,034	2,937	3,003
235	223	253	209	205
11,744	12,251	12,576	12,570	12,094
33,575	34,408	28,202	38,026	30,915
2,501	2,424	2,507	2,593	2,591
117,230	117,489	117,489	117,805	117,761
4,829	4,740	4,701	4,812	4,789
47	65	56	47	43
312	335	334	272	294
1,136	1,099	1,108	1,098	1,100
60	60	62	61	61
28,543	28,561	28,055	3,356	35,316
580	531	530	486	475
107	131	111	124	149
240	312	199	132	164
46	50	36	34	33
15	14	13	7	7
12	26	15	17	17
<hr/>				
3,809	3,397	3,323	3,484	3,446
91	91	97	98	106
18	31	26	22	21
2,526	2,869	2,822	2,650	2,571
2,608	2,646	2,676	2,097	2,217
9	8	10	8	13
8	6	15	11	10
24	25	25	26	26
2	9	9	11	13
2	2	2	3	4
5	5	5	5	6
2,403	2,496	2,508	2,913	3,412
2,164	2,215	2,306	2,232	1,851
6,688	7,256	6,300	6,997	6,632
375	323	337	58	339
1,430	1,169	1,422	2,346	1,768
35	36	38	40	41
2,664	2,556	1,857	1,624	1,145
13,992	13,555	13,070	14,003	14,957
432	412	441	1,178	1,074

COUNTY OF ERIE, PENNSYLVANIA  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 LAST TEN YEARS  
 (CONTINUED)

Function/Program	2021	2020	2019	2018	2017
<b>Corrections:</b>					
Adult probation caseloads	4,200	4,306	4,820	4,746	3,723
Delinquency petitions	384	421	606	605	615
Delinquents in placement	44	56	74	73	81
<b>Community Service:</b>					
Agricultural easement purchase	3	7	-	4	1
Land use reviews	177	198	221	194	179
Subdivision and land development reviews	184	187	194	204	180
HPMS sample section field reviews	131	131	132	131	132
Local bridge inspection program inspections and traffic courts	56	31	31	29	111
Calls received at Emergency 911 center	135,540	129,668	133,874	134,566	130,112
Drug and alcohol general admissions/completed screenings	3,427	3,325	3,105	3,221	3,480
Drug and alcohol clients authorized	3,021	3,282	2,999	2,904	3,137
Drug and alcohol treatment providers	23	21	19	20	21
Children and youth abuse referrals	1,280	1,225	1,568	1,436	1,371
Children and youth intake evaluations	5,148	4,443	4,321	4,133	3,589
Children and youth placements	997	871	922	717	663
Mental health/intellectual disabilities clients in various programs	15,103	16,570	16,771	16,753	17,465
Cost of mental health/intellectual disabilities services (in millions)	23	25	58	59	59
Health Choices members in various programs	18,547	17,699	18,106	18,159	17,962
Costs of Health Choices services (in millions)	75	72	80	77	74
<b>Library:</b>					
Bookmobile circulation	19,583	14,143	19,454	18,017	23,540
Main library circulation	346,593	292,957	488,238	515,225	543,012
Branch library circulation	501,095	425,661	618,787	621,738	640,803
<b>Public Health:</b>					
Immunization client visits	340	100	774	793	1,279
Sexually transmitted disease client visits	107	194	760	861	882
Tuberculosis client visits	911	608	865	1,459	1,485
<b>Nursing Home:</b>					
Nurse Family Partnership client visits	745	1,001	1,001	1,294	1,183
Maternal child health client visits	95	448	448	571	708
Average daily census in nursing home	192	252	252	27	276

2016	2015	2014	2013	2012
3,457	3,170	3,052	3,033	3,023
509	596	643	896	980
89	104	106	100	122
5	1	3	-	1
207	202	260	247	243
199	340	340	155	167
132	134	134	133	134
74	142	91	152	83
134,232	143,897	169,052	172,596	188,273
3,954	3,731	3,948	4,124	3,986
3,564	3,636	3,559	3,644	3,210
21	19	16	16	15
1,342	1,345	952	856	782
3,422	3,267	2,704	2,711	2,578
632	649	607	515	461
15,743	19,766	19,609	17,971	19,556
58	56	54	51	53
17,423	16,037	14,754	14,564	13,908
73	70	68	59	62
19,300	19,359	14,952	22,529	24,736
557,855	562,757	590,724	610,852	660,588
659,222	669,976	676,990	685,543	68,484
1,375	856	1,141	870	1,766
923	5,495	503	1,559	1,901
1,498	813	2,329	3,275	3,124
1,297	1,286	1,231	1,387	1,603
511	517	736	695	708
274	307	346	337	334

COUNTY OF ERIE, PENNSYLVANIA  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS

Function/Program	2021	2020	2019	2018	2017
<b>General Government:</b>					
Buildings	4	4	4	4	4
Square footage	221,210	218,218	218,218	204,943	204,943
Vehicles	122	119	119	32	9
<b>Courts and Court Related:</b>					
Sheriff vehicles	26	26	26	26	28
Sheriff search and rescue boat	0	0	0	0	0
Other department vehicles	13	10	0	1	1
<b>Public Defender:</b>					
Buildings	1	0	0	0	0
Square footage	5,585	0	0	0	0
<b>Corrections:</b>					
Prison facilities	2	2	2	2	2
Square footage	202,123	202,123	202,123	205,720	205,720
Number of beds	692	692	692	692	692
Prison vehicles	8	8	4	2	6
Juvenile Detention center square footage	11,194	11,194	11,194	11,704	11,704
Juvenile Detention center beds	20	20	20	20	20
Probable vehicles	19	16	16	15	15
<b>Community Service:</b>					
Human Services building	1	1	1	1	1
Square footage	56,784	56,784	56,784	39,844	39,844
Emergency management vehicles	34	34	35	10	12
Emergency management watercraft	0	0	0	0	3
Dependent shelter square footage	7,462	7,462	7,462	7,462	7,462
Depended shelter beds	8	8	8	8	8
<b>Public Health:</b>					
Buildings	2	2	2	2	2
Square footage	25,050	25,050	25,050	27,168	27,168
Health Department vehicles	4	4	4	2	3
<b>Nursing Home:</b>					
Number of nursing homes*	1	1	1	1	1
Combined nursing home square footage	194,552	194,552	194,552	194,552	194,552
Average number of beds*	300	300	300	300	300
<b>Library:</b>					
Blasco Memorial Library	1	1	1	1	1
Blasco square footage	166,446	166,446	166,446	158,200	158,200
Branch libraries	4	4	4	4	4
Combined branch square footage	25,526	25,526	25,526	25,249	25,249
Library vehicles	3	2	3	3	2

Sources: County of Erie Operation Department and Pleasant Ridge Manor

\*Pleasant Ridge Manor (closed to East location in 2015) is a blended component unit.

\*Bed counts change on specific dates, making it necessary to take available bed days divided by days in the year to determine an annual average number of days.

2016	2015	2014	2013	2012
4	4	4	4	4
204,943	204,943	204,943	204,943	204,943
9	9	9	7	6
25	25	25	25	28
0	0	0	0	0
1	1	11	14	16
0	0	0	0	0
0	0	0	0	0
2	2	2	2	2
205,720	205,720	205,720	205,720	205,720
692	692	692	690	690
6	6	6	6	5
11,704	11,704	11,704	11,704	11,704
20	20	20	20	20
15	15	15	14	14
1	1	1	1	1
39,844	39,844	39,844	39,844	39,844
12	12	12	12	12
3	3	3	3	3
7,462	7,462	7,462	7,462	7,462
8	8	8	8	8
2	2	2	2	2
27,168	27,168	27,168	27,168	27,168
3	3	3	5	6
1	1	2	2	2
194,552	194,552	237,287	237,278	237,278
300	300	388	388	388
1	1	1	1	1
158,200	158,200	158,200	158,200	158,200
4	4	4	4	4
25,249	25,249	25,249	25,249	25,249
2	2	2	2	4

COUNTY OF ERIE, PENNSYLVANIA  
SALARIES OF PRINCIPAL COUNTY OFFICIALS  
AS OF DECEMBER 31, 2021

		Salary	
<u>Elected Officials:</u>			
Council Chairman (part-time)	Carl Anderson	\$	10,578
Council Members (part-time)	Andre Horton		10,078
	Scott Rastetter		10,078
	Kimberly Clear		10,868
	Brian Shank		10,868
	Mary Rennie		10,868
	Ellen Schauerman		10,868
County Executive	Kathy Dahlkemper		101,959
County Controller	Kyle Foust		73,138
District Attorney	Jack Daneri		185,665
Sheriff	John Loomis		76,395
Coroner	Lyell P. Cook		76,138
Clerk of Records	Kenneth Gamble		81,241
Common Pleas Judge	John J. Trucilia, PJ	Paid by Commonwealth	
	Erin C. Connelly	Paid by Commonwealth	
	John J. Mead	Paid by Commonwealth	
	Elizabeth K. Kelly	Paid by Commonwealth	
	Daniel J. Brabender Jr.	Paid by Commonwealth	
	Stephanie Domitrovich	Paid by Commonwealth	
	Joseph M. Walsh III	Paid by Commonwealth	
	Marshall J. Piccinini	Paid by Commonwealth	
	David G. Ridge	Paid by Commonwealth	
District Justices	13 Total	Paid by Commonwealth	
<u>Officials Appointed by County Executive:</u>			
Director of Administration	Gary Lee	\$	94,829
Director of Finance	James Sparber		95,043
Director of Human Resources	Vacant		67,256
County Solicitor (part-time)	Richard Perhacs		59,294
Public Defender	Patricia Kennedy, Esq.		104,793
Assistant Public Defenders	7 Full Time 10 Part Time		864,836
<u>Employees:</u>			
The County employs an average of 1,200 full-time equivalent employees (calculated by dividing total paid hours by 37.5 hours work week), including those described above, at an average annual compensation of:		\$	48,249
The highest paid non-elected employee is the Senior Solicitor of the Office of Children and Youth Services at:			120,684
Employee compensation is determined in accordance with the County Personnel Code, Pay Plan, and Bargaining agreements.			
<u>Pleasant Ridge Manor:</u>			
Pleasant Ridge Manor employs an average of 280 full-time equivalent employees (calculated by dividing total paid hours by actual hours paid as appropriate for each pay class) at an average annual compensation of:		\$	45,376

COUNTY OF ERIE, PENNSYLVANIA  
COLLECTIVE BARGAINING AGREEMENTS  
AS OF DECEMBER 31, 2021

<u>Collective Bargaining Unit</u>	<u>Employees Represented</u>	<u>Expiration Date of Current Collective Bargaining Agreement</u>
AFSCME Clerical & Technical	298	December 31, 2022
AFSCME Professional	87	December 31, 2022
PSSU Prison Employees	144	December 31, 2022
PSSU Children & Youth Supervisors	28	December 31, 2022
PSSU Caseworkers	118	December 31, 2022
Erie Court Assoc. of Professional Employees	106	December 31, 2022
Erie County Detective's Association	<u>9</u>	December 31, 2022
Total Represented Employees	<u><u>790</u></u>	

Source: *Erie County Department of Human Resources Labor Report*